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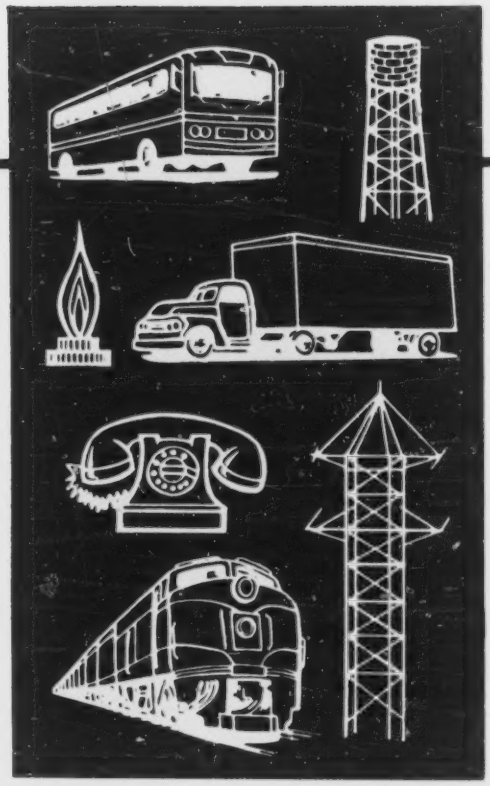

North Carolina Utilities Commission

1985 Report — VOL. XVI

Major Activities — April 1984 through March 1985
with
Statistical and Analytical Data Through 1983

LETTER OF TRANSMITTAL

July 1, 1985

The Honorable James G. Martin
The Governor of North Carolina
Raleigh

Dear Governor Martin:

We hereby present for your consideration the 1985 Report of the North Carolina Utilities Commission pursuant to Section 17 of the Public Utilities Act of 1963 as amended in 1977 (G.S. 62-17). The report covers the major activities of the Commission for the period April 1984 through March 1985 with statistical and analytical data for the operations of the utilities through 1983.

Respectfully submitted,
Dr. Robert K. Koger, Chairman
Sarah Lindsay Tate, Commissioner
Edward B. Hipp, Commissioner
A. Hartwell Campbell, Commissioner
Ruth E. Cook, Commissioner
Robert O. Wells, Commissioner
Julius A. Wright, Commissioner

Prepared by

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I. Organization And History

A. COMMISSION STAFF AND ORGANIZATION CHART

There were seven commissioners and 57 funded positions comprising the Commission Staff as of July 1, 1985. Commissioners are appointed by the Governor subject to confirmation by the General Assembly in joint session.

NORTH CAROLINA UTILITIES COMMISSION
COMMISSION STAFF
Commissioners & Supervisory Personnel
As of July 1, 1985

Commissioners

Dr. Robert K. Koger, Chairman

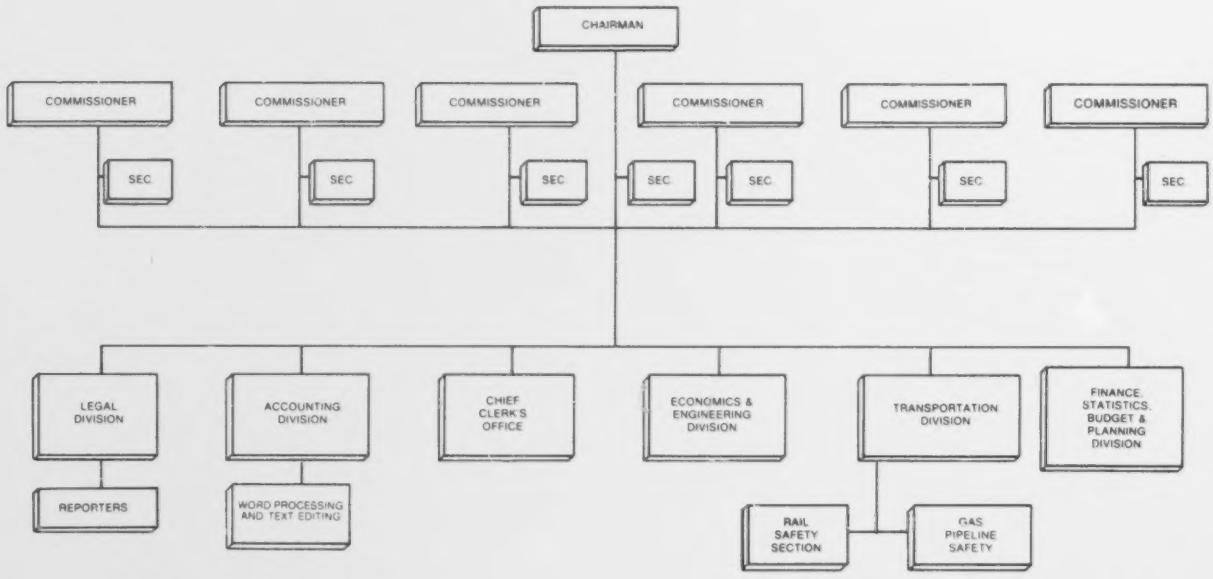
Sarah Lindsay Tate Commissioner	Ruth E. Cook Commissioner
Edward P. Hipp Commissioner	Robert O. Wells* Commissioner
A. Hartwell Campbell Commissioner	Julius A. Wright** Commissioner

Staff Heads & Directors

Chief Clerk	Mrs. Sandra Webster
Legal Division	Robert H. Bennink, Jr.
Accounting Division	Donald R. Hoover
Engineering Division, Electric	David F. Creasy
Finance, Statistics, Budget & Planning Division	Joseph W. Smith
Transportation Division (Includes Motor, Rail and Gas Pipeline Safety Activities)	Danny C. Stallings

FIGURE NO. 1-1

COMMISSION STAFF — ORGANIZATION CHART
JULY 1, 1985



*Robert O. Wells replaced Commissioner Charles E. Branford whose term ended June 30, 1985. He will assume Chairmanship September 1, 1985.
**Julius A. Wright replaced Commissioner Hugh A. Crigler whose term ended June 30, 1985.

B. BIOGRAPHICAL SKETCH OF EACH COMMISSIONER AS OF JULY 1, 1985

ROBERT K. KOGER, CHAIRMAN: Born September 10, 1936, in Byrdstown, Tennessee; University of Tennessee (BS in Electrical Engineering), North Carolina State University (Master of Economics), North Carolina State University (Ph.D. in Industrial Engineering); U.S. Rural Electrification Administration Engineer in North Carolina (1961-67), NCUC Utilities Engineer (1967-70), Director of NCUC Engineering Division (1970-77); Licensed Professional Engineer; assumed Commissionership May 24, 1977, current term ends June 30, 1989; married (Jeanne), three children.

SARAH LINDSAY TATE, COMMISSIONER: Born March 14, 1927, in Charlotte, North Carolina; University of North Carolina (AB, LLB); Raleigh Community Relations Commission, associate counsel for insurance companies, private law practice; assumed Commissionership May 24, 1977, current term ends June 30, 1985; one daughter.

EDWARD B. HIPP, COMMISSIONER: Born August 30, 1921, in Charlotte, North Carolina; Davidson College (BS), University of North Carolina (JD); World War II Infantry Rifle Platoon Leader (1942-46) (awarded Silver Star and Purple Heart), North Carolina Attorney General's Office; Staff Tax Attorney (1950-51), North Carolina Revisor of Statutes (1952-53), private law practice (1953-61), special counsel for North Carolina General Statutes Commission Utilities Law Revision (1962-63), North Carolina UC General Counsel (1963-77); assumed Commissionership October 21, 1977, current term ends June 30, 1989; married (Dorothy), three children.

A. HARTWELL CAMPBELL, COMMISSIONER: Born October 8, 1916, in Buies Creek, North Carolina; Campbell College (AA), Wake Forest University (BS), University of North Carolina, Yale University (BD); minister of church (1941-46), manager and owner of radio and television stations (1946-79), member of State Physical Fitness Commission, member of Greenville City School Board (1958-63) and City Council (1963-64), State Representative (1969-79); assumed Commissionership July 2, 1979, current term ends June 30, 1987; married (Verda), three sons.

RUTH E. COOK, COMMISSIONER: Born November 11, 1929, in Berlin, Germany; New York University; Member of the North Carolina House of Representatives (1974-83); Chairman of Appropriations Base Budget Committee on Human Resources; Chairman, Consumer Protection Committee of the Southern Legislative Conference of the Council of State Governments (1982); The N.C. Housing Programs Study Commission, Chairman (1981-82); Governor's Task Force on Science and Technology (1982); Savings and Loan Study Commission (1980); Board of Directors of North Carolina Housing Finance Agency (1981); Chairman, North Carolina Council for the Hearing Impaired (1979); Executive Director, State Council for Social Legislation (1966-74); President, North Carolina Consumers Council (1977); Charter Board Member, Raleigh Inter-Church Housing Corporation (1966-69); President, Raleigh/Wake League of Women Voters (1963-65); Member, Wake County Democratic Women; assumed Commissionership July 1, 1983, current term ends June 30, 1991; husband (deceased), two children.

ROBERT O. WELLS, COMMISSIONER: Born June 16, 1938, in Jones County, North Carolina; University of North Carolina, Chapel Hill, (BA in Education), Mayor of the City of High Point (1981-85), Member of High Point Economic Development Corporation (1981-85), Member of Economic and Community Development Committee, N. C. League of Cities (1983-85), Member of Transportation and Commerce Committee, National League of Cities (1985), Member of High Point Planning and Zoning Commission (1978-81), Member of High Point City Council (1973-77), Owner of Robert O. Wells Insurance Agency (1963-Present); assumed Commissionership July 1, 1985, assumes Chairmanship September 1, 1985, Current term ends June 30, 1993; married (Linda), four children.

JULIUS A. WRIGHT, (CHIP), COMMISSIONER: Born October 10, 1951 in Waycross, Georgia: valdosta State College (BS in Chemistry, Magna Cum Laude), Georgia State University (MBA in Finance and Economics, Magna Cum Laude); Member of American Chemical Society, Member of American Association of MBA, Vice-President of Sigma Alpha Epsilon Alumni Association, Board of Directors of American Cancer Society, Member Alpha Chi Honor Society; Served in N.C. Senate (1981-83); assumed Commissionership July 1, 1985, current term ends June 30, 1993; married (Phyllis), one daughter.

C. BIOGRAPHICAL SKETCH OF EXECUTIVE DIRECTOR

Robert P. Gruber began his term as Executive Director on July 1, 1983. From February 1978 until this appointment he had served as General Counsel to the North Carolina Utilities Commission. From 1973 to 1978 he had been employed by the North Carolina Department of Justice where he had served as a Special Deputy Attorney General in charge of the Utilities Section. Prior to this he had been in private law practice in Raleigh, North Carolina. He earned his law and undergraduate degrees from the University of North Carolina.

D. PUBLIC STAFF AND ORGANIZATION CHART

As of July 1, 1985, there were an Executive Director and 80 funded positions comprising the Public Staff of the North Carolina Utilities Commission.

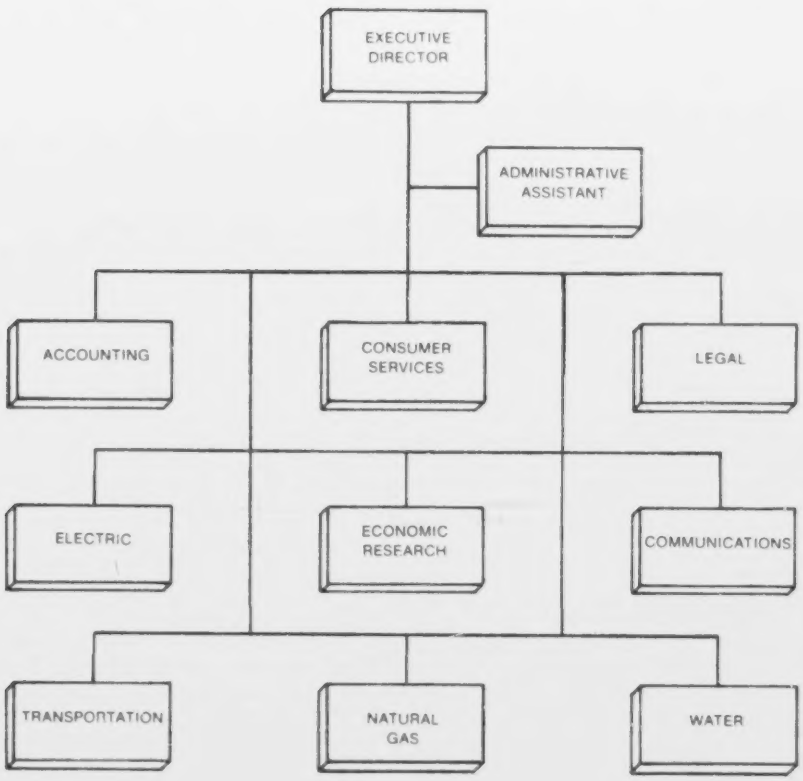
PUBLIC STAFF
NORTH CAROLINA UTILITIES COMMISSION
July 1, 1985

Executive Director
Robert P. Gruber

Administrative Assistant ..... Margaret K. Kimzey
Accounting Division ..... William E. Carter
Communications Division ..... Gene A. Clemmons
Consumer Services Division ..... J. Craig Stevens
Economic Research Division ..... George T. Sessoms, Jr.
Electric Division ..... Dennis J. Nightingale
Gas Division ..... Raymond J. Nery
Legal Division ..... Antoinette R. Wike
Transportation Rates Division ..... James C. Turner
Water Division ..... Jerry H. Tweed

FIGURE NO. 1-2

PUBLIC STAFF — ORGANIZATION CHART
JULY 1, 1985



E. HISTORICAL SKETCH OF DEVELOPMENT

The present North Carolina Utilities Commission evolved from the Railroad Commission which was created in 1891 by the General Assembly and was given authority to determine charges made for services rendered by railroads, steamboat or canal companies, express and telegraph companies.

The major changes occurring in North Carolina regulatory field since 1891 are in chronological order as follows:

1893—Telephone industry brought under regulation.

1897—Street railways brought under regulation.

1899—Railroad Commission abolished and the North Carolina Corporation Commission created. The North Carolina Corporation Commission was given general supervision of railroads, steamboat navigation and canal companies, express and telegraph and telephone companies, building and loan associations, banks, and sleeping car companies.

1900—The Corporation Commission's duties enlarged to encompass general supervision over tax listers and tax assessors.

1905—Supervision of building and loan association transferred to State Insurance Commissioner.

1913—Electric light, power, water, and gas companies, excluding municipally owned, came under regulation.

1925—Capital Issues Law administered by the Corporation Commission. Motor vehicle common carriers of persons and property over regular or specified routes brought under regulation.

1931—Transfer of banking department to the Commissioner of Banks.

1933—The Corporation Commissioner abolished. The office of Utilities Commissioner created with two associate commissioners.

1937—Administration of Capital Issues Law transferred to Secretary of State.

1941—The North Carolina Utilities Commission established, consisting of three full-time members with six-year terms.

1947—Motor Vehicle common and contract carriers of property over irregular routes brought under regulation and regulation implemented.

1949—Bus Act of 1925 replaced and jurisdiction over common and contract carriers of passengers, regular and irregular routes, expanded. Membership increased to five commissioners and a technical staff of engineers, accountants, and directors of transportation added.

1963—The utility laws of North Carolina updated and rewritten.

1965—Electric Membership Corporation brought under limited jurisdiction of the Utilities Commission relating to assignment of service and promotional payments.

1967—The following amendments to the General Statutes 62 known as the Public Utilities Act are of significance to the public and the regulatory agency:

a. Initiation of Cooperative Agreement in the enforcement of interstate motor carriers safety regulations with the Interstate Commerce Commission. (G.S. 62-266)

b. Authorization for the Utilities Commission to collect same fees for registration of interstate authority and interstate vehicles as is charged intrastate carriers. (G.S. 62-300)

c. Authority to regulate the standards of safety for interstate natural gas pipelines passing through North Carolina (G.S. 62-41 and G.S. 62-43)

d. Change in appeal procedure of Utility Cases; they now go to the Court of Appeals rather than to the Superior Courts. (G.S. 62-90)

1969—The following amendments to the General Statutes 62 known as the Public Utilities Act are of interest to the general public and the regulatory agency:

a. *Register ICC Exemptions.* Authorization for the Commission to require *all* interstate carriers to file copies of their respective interstate authority or register their *exempt* operation. The registration for the ICC exempt carriers for the first time is the significant feature of this act. (G.S. 62-266)

b. *Inspect Utility Affiliate Records.* Authorization for the Commission to inspect the books and records of corporations affiliated with public utilities regulated by the Commission, including parent corporations and their affiliates. (G.S. 62-51)

c. *Furnish False Information to the Utilities Commission; Failure to Furnish Information to Commission.* Action by legislature declaring it a misdemeanor for utilities under the jurisdiction of the Commission to furnish false information or for failure to furnish information on report forms furnished by the Commission. (G.S. 62-326)

d. *Radio Common Carriers.* Commission authority extended to grant Certificates

of Public Convenience and Necessity to radio common carries in areas where the landline telephone company has heretofore protested certificates of radio common carriers. (G.S. 62-120)

1971—The following amendments to the General Statutes 62, known as the Public Utilities Act, were approved by the General Assembly in the current year:

a. The Executive Organization Act of 1971 created the N.C. Department of Commerce, (143A-174). The North Carolina Utilities Commission was transferred to the Department of Commerce. (G.S. 62-10)

b. *Safety Standards for Interstate and Intrastate Natural Gas Pipelines.* Authorization by the General Court of Justices of North Carolina to issue court orders, restraining orders, injunctions and other processes of the court in actions by the Utilities Commission to enforce the provisions of gas pipeline safety, and authorizing the Commission to bring such action as may be necessary for compliance. (G.S. 62-50)

c. *How Rates Fixed—Natural Gas Distribution Companies.* Utilities Commission given permission to permit gas companies to increase their rates to customers to the extent that such increases are occasioned by increases in the wholesale rates paid by the utilities. This increase could be allowed without a general rate case hearing. (G.S. 62-133)

d. *Change in definition of "Public Utility."* Prior to 1971, those persons or companies selling water to less than 25 residential customers were, by statute, exempt from Utilities regulation. 1971 legislation modified the definition of a public utility to include anyone furnishing water to 10 or more residential customers. (G.S. 62-3)

1973—The following amendment to the General Statutes 62, known as the Public Utilities Act, were approved by the General Assembly in the current year:

a. Change in definition of "public utility." Town of Pineville, N.C., included insofar as town supplies telephone service to the public for compensation. This includes town limits as of May 8, 1973, and shall also include area proposed to be annexed, until January 1, 1975. Utility Commission has no authority in respect to rates or charges for service until July 1, 1974. (G.S. 62-3 (23) f)

Related Statute - Electric Service in Urban Areas. **Authority and Jurisdiction of Utilities Commission** G.S. 160-A-334 rewritten as follows:

If N.C. Utilities Commission finds that service being furnished to consumer by a secondary supplier to be inadequate or undependable, or that rates are unreasonably discriminatory, the Commission shall have the authority and jurisdiction after notice to each affected electrical supplier, and after hearing, if hearing is requested, to:

Order a primary supplier that is subject to the jurisdiction of the Commission to furnish electric service to any consumer who desires service from the primary supplier at any premises served by a secondary supplier, and to order such secondary supplier to cease and desist from furnishing electric service.

1974—The following selected Legislative Bills of significance to the operations of the utilities, the utilities ratepayers, and the Commission itself were passed by the General Assembly in the 2nd Session (1974) of the 1973 Session and along with other utility bills not listed here are included in General Statutes 62, known as the Public Utilities Act:

a. *How Rates Fixed — Small Water and Sewer Utilities.* The Commission may now fix such rates on the ratio of the operating expenses to the operating revenues such ratio to be determined by the Commission, unless the utility requests that such rates be fixed under G.S. 62-133 (b). Previously only motor carrier rates were determined in relation to an operating ratio. (G.S. 62-133.1 (a))

A water or sewer utility may enter into uniform contracts with nonusers of its utility service within a specific subdivision or development for the payment by such nonusers to the utility of a fee or charge for placing or maintaining lines or other facilities or, otherwise, making and keeping such utility's service available to such nonusers which in effect is an availability charge. (G.S. 62-133.1 (b))

b. *Future Test Period Authorized.* Authority given to the Commission, in its discretion, to use a current as well as a past test period in establishing public utility rates. This change gave the Commission authority to use a 12-month future test period for setting rates which

required the extensive use of estimated and forecasted operating data in addition to actual historical data. (G.S. 62-133(c)) (The General Assembly, during the 1975 Session, amended G.S. 62-133(c) by rewriting the second sentence of Subsection (c) and in effect restoring the test period used in general rate cases to 12 months historical operating expenses prior to the date the proposed rates are to become effective.)

c. *Less than the Full Commission May Hear Small Utility Rates Cases* — In matters where total annual revenue requested or where total annual revenues increase requested is less than $50,000 even though all rates are affected, the Chairman of the Commission may refer the matter to a division of the Commission, to a Hearing Commissioner, or to a Hearing Examiner for hearing. Previously, the full Commission was required to hear all general rate cases. (G.S. 62-81) *Increased to $100,000 by 1977 legislative amendment. Increased to $300,000 by 1981 legislative amendment.

1975—Major legislation affecting the regulation of utilities:

a. *Definition of the term "Panel."* Panel as used herein means three Commissioners, a division of the Utilities Commission authorized for the purpose of carrying out certain functions of the Commission. (G.S. 62-3)

b. *Increase in the number of Commissioners from five (5) to seven (7).* All Commissioners henceforth are to be appointed by the Governor subject to confirmation by the General Assembly in joint session. (G.S. 62-10)

c. *Initiation of Management Audits.* Management Audits may be initiated by the Commission of any public utility company once every five years by a competent, qualified and independent firm with the cost of such audit to be borne by the particular public utility subject to the audit. (G.S. 62-37 (b))

d. *Procedure before the Commission.* The Commission shall sit in panels of three unless the Chairman, by Order, shall set the proceeding for hearing by the Full Commission. (G.S. 62-60.1)

e. *Long Range Forecast.* The Commission is required to develop, publicize and keep current an analysis of the long-range needs for expansion of facilities for the generation of electricity in North Carolina, including its estimates of the probable future growth of the use of electricity, the probable needed generating reserve, the extent, size, mix and general location of generating plants and arrangements for pooling power to the extent not regulated by the Federal Power Commission. (G.S. 62-110.1 (c, d, e, f))

f. *Rate Changes due Solely to Changes in Cost of Fuel.* Effective on and after September 1, 1975, application by any public utility for permission and authority to increase its rates and charges based solely upon the increased cost of fuel used in generation or production of electric power must be suspended for a period not to exceed ninety (90) days. A hearing on the merits of the application must be held within thirty (30) days of the date of the filing with an Order responsive to the application being issued not later than ninety (90) days from the filing Date. A rate decrease due solely to a decrease in the cost of fuel, upon motion of the Commission or application of any person having an interest in said rate, shall be set for hearing. Any person directly interested in these proceedings shall have a full right of intervention. These types of proceedings shall not be considered a general rate case. To implement this new legislative act the Commission adopted a new Rule, R1-36 which prescribes the information and exhibits required to be filed with the application. (G.S. 62-134 (e) and (f))

1977—Major legislation affecting the regulation of utilities:

a. *Creation of the Office of Executive Director and Public Staff to Represent the Using and Consuming Public.* The Commission personnel was divided into a Commission Staff and a Public Staff. The Office of Executive Director was established to direct the Public Staff. The Executive Director shall be appointed by the Governor subject to confirmation by the General Assembly in joint session. The term of the Executive Director shall be six years and the salary the same as that fixed for Commissioners. The Executive Director may be removed from office by the Governor in the event of his incapacity to serve; and the Executive Director may be removed from office by the Governor upon the affirmative recommendation of a majority of the Commission, concurred in by a majority of the Utility Review Committee of the General Assembly. The Public Staff shall not be subject to

the supervision, direction, or control of the Commission, the Chairman, or members of the Commission.

The Public Staff has the duty and responsibility to review, investigate, intervene and make recommendations to the Commission relating to practically all matters affecting the using and consuming public and especially in the following areas: rates charged for services, level and quality of service rendered, issuance or cancellation of certificates for service and service areas, complaints of consumers, transfers, mergers or consolidation of utilities providing services to the public, contracts of public utilities with and between affiliates or subsidiaries and the issuance of securities or other financial matters affecting the utilities. The Public Staff has no duty, responsibility or authority with respect to the enforcement of natural gas pipeline safety laws, rules or regulations or to the laws, rules or regulations of common, contract and exempt carriers relating to their equipment, the registration of their vehicles, insurance coverage, licensing or training of drivers or the operation of motor vehicle equipment. (For complete detail of duties of Public Staff, see G.S. 62-15 (a) thru (i).)

b. *Gifts to Members of Commission, Commission employees, or Public Staff unlawful.* — Utilities may not offer nor may any member of the Commission, Commission Staff, or Public Staff accept any gift of money, property, or anything of value from the utilities. One violating this rule is guilty of a misdemeanor and may be fined and subject to dismissal for cause. A member of the Commission, Commission Staff or Public Staff may attend public breakfasts, lunches, dinners, or banquets sponsored by the regulated utilities. (G.S. 62-327)

c. *Public Staff Provision Renewable After Four Years.* — Unless the General Assembly shall otherwise direct, effective August 31, 1981, the Office of Executive Director and the Public Staff of the Commission shall terminate and the positions assigned to the Public Staff shall be assigned to the Commission. (Session Laws 1977, c 468, s. 23)

d. *Lifeline Rate Study.* — Resolution No. 63 urging the Utilities Commission to investigate and study Lifeline Rates for Consumers of electricity and natural gas was ratified by the General Assembly on June 14, 1977. Because of rapidly rising rates for electric and natural gas service and the great hardship the higher rates were causing many elderly and low income persons in the State, the Commission was urged to study and consider whether it is just and reasonable to establish a category of lifeline rates for essential levels of use by residential customers to provide lighting, cooking and refrigeration in their primary place of residency.

e. *Use of Original Cost plus Construction Work in Progress (CWIP) of public utilities property for rate-making purposes to be effective with respect to rate applications filed on and after July 1, 1979.* —Effective with rate applications filed on and after July 1, 1979, the Commission must use as the rate base for fixing rates of electric, gas, telephone and water and/or sewer utilities (unless the operating ratio is used for water and sewer companies) the reasonable original cost, less depreciation plus the reasonable original cost of construction work in progress (CWIP) of the public utility's property. This method replaces the currently used Fair Value formula (which excludes the value of CWIP) in determining the rate base for the fixing of rates. In conjunction with the enactment of the above amendment to G.S. 62-133 entitled "How rates fixed" the General Assembly also amended G.S. 62-2 entitled "Declaration of policy" by adding a new subsection (5) which reads as follows:

> "(5) Require each public utility to discontinue capitalization of the composite carrying cost of capital funds used to finance construction (allowance for funds) on the construction work in progress included in its rate base upon the effective date of the first and each subsequent general rate order issued with respect to it after the effective date of this subsection; allowance for funds may be capitalized with respect to expenditures for construction work in progress not included in the utility's property upon which the rates were fixed. In determining net operating income for return, the Commission shall not include any capitalized allowance for funds used during construction on the construction work in progress included in the utility's rate base."

(See Session Laws 1977, c 691, ss. 2 & 3 for details of amendments to G.S. 62-133.)

f. *Constitutional Amendment (Article V) to allow municipalities to Issue Revenue Bonds to Finance the Cost of Electric Generation and Transmission Facilities.*

— This related legislation authorizing municipalities owning or operating electric systems and joint agencies composed of such municipalities to jointly or severally own, operate and maintain an electric system and to use revenue bonds to finance the cost thereof, subject to the approval of the electorate directly affects the regulated electric companies of North Carolina. Duke Power Co. has already agreed to sell a portion of its nuclear generating capacity to nineteen (19) North Carolina towns and cities which are members of the North Carolina Municipal Power Agency No. 1. (See Session Laws 1977, c 528, sections 1 thru 6 for details of Constitutional Amendment.)

g. *Uniform and Joint Rates Among Carriers of the Same Class Authorized.* Historically, tariff bureaus have been formed by common carriers for the purpose of establishing and publishing joint rates in order to achieve a stable rate structure. The enactment of Chapter 219 empowered the Commission to regulate and permit tariff bureaus to publish joint rates. (G.S. 62-152.1 and Commission Rule R4-12 set forth the Commission's requirement of a rate bureau in order for it to publish joint rates with this Commission.)

1979 & 1980 —Major legislation affecting the regulation of utilities

a. *Office of Executive Director and the Public Staff Made Permanent on April 10, 1979.* These positions otherwise would have been terminated on August 31, 1981. (Session Laws 1979, c 332, 3.1)

b. *Gas Pipeline Safety Standards Authority Expanded.* The Utilities Commission authority is expanded over natural gas pipeline safety standards to cover public housing authorities and apartment complexes or mobile home parks that distribute or submeter gas to their tenants. It also restates the Commission's existing authority over pipeline safety standards of interstate and intrastate gas utilities and pipeline carriers under franchise, as well as municipally owned distributors, without apparently changing the substance of this authority. (Session Laws 1979 c 269, G.S. 62-50)

c. *Ex-parte Communications.* The act was amended which forbids any nonwritten communication by a public utility or public staff member to a Commission member or hearing examiner relating to the level of rates to be charged by deleting the words "with regard to matters affecting the rates charged or proposed to be charged" and inserting in lieu thereof the words "regarding the level of rates specifically proposed to be charged." Article IV, G.S. 62-70(g) (Session Laws 1979, c 332, S.2.)

d. *Encouragement of Co-generation of Electricity.* Co-generation of electricity was encouraged by exempting from regulation persons who are constructing or operating an electric generating unit primarily for their own use and not for the primary purpose of producing electricity, heat, or steam for sale to or for the public for compensation. However, such persons must report to the Utilities Commission the proposed construction of such a facility before construction begins. (G.S. 62-110.1(g))

e. *Power Sales by Small Power Producers.* In the event that a small power producer and an electric utility are unable to mutually agree to a contract for the sale of electricity or to a price for the electricity purchased by the electric utility the Commission shall require the utility to purchase the power, under rates and terms established under G.S. 62-156. (See Session Laws 1979, 2nd Session, 1980, c 1219, S.2.)

f. *Security Provisions Relating to Access to Nuclear Power Facilities and/or Control over Nuclear Material.* The Chief Personnel Officer or his designee of any public utility franchised to do business in North Carolina shall be permitted to obtain from the State Bureau of Investigation a confidential copy of criminal history record information for screening an applicant for employment with or an employee of a utility or utility contractor where the employment or job to be performed falls within a class or category of positions certified by the North Carolina Utilities Commission as permitting or requiring access to nuclear power facilities or access to or control over nuclear material. (G.S. 62-333) (See Session Laws 1979, c 796.)

g. *Motor Carriers Providing "Charter Party" Services for Senior Citizens Exempt from Regulation.* Motor passenger carriers engaged in "Charter Party" service for senior citizens (60) years or older are exempt from Commission regulation except for subsections (f) and (g) of Article 12 G.S. 62-260. These sections deal with security, safety and registration regulations of motor passenger carriers and their vehicles. (G.S. 62-260 a(18)) (See Session Laws 1979, c 204.)

1981—Major Legislation Affecting the Regulation of Utilities:

a. *Rate-setting Hearings Nonmandatory When There Is No Significant Public Protest and All Parties Are in Agreement.* When there is no significant public protest received within 30 days of the publication of notice of a proposed rate change for a water or sewer utility, the Commission may decide the preceeding based on the record without a trial or hearing, provided said utility and all other parties of record have waived their right to any such hearing. (G.S. 62-81(f)) (HB 530)

b. *Commission Authorized to Decide the Level of Interest to Add to Customer Refunds.* The Commission under the amended law can decide the level of interest rate public utilities must pay on refunds of moneys to its customers which were advanced by or overcollected from its customers. Under the amended law the rate cannot exceed ten percent (10%) per annum, previously the only rate was six percent (6%) per annum. (G.S. 62-130(e) and G.S. 62-135(c) (HB 531)

c. *The Utility Company Shall Be the Source of Funds for the Public Staff to Employ Outside Assistance in Commission Proceedings.* The Executive Director of the Public Staff is authorized to employ, subject to the approval of the State Budget Officer, expert witnesses and such other professional expertise as deemed necessary to assist the Public Staff in its participation in Commission proceedings, and the compensation and expenses therefor shall be paid by the utility or utilities participating in said proceedings. Before this enactment, the funds for this type service came from the regular appropriated Public Staff budget or from the State Contingency and Emergency Fund. (G.S. 15(h)) (HB 529)

d. *Employment of Temporary Court Reporters With Costs to Be Borne by Individual Utility or Utilities.* The Commission is authorized to contract with or employ on a temporary basis, when deemed necessary by the Chairman of the Commission, court reporters in addition to those employed on a full-time basis by the Commission for the purpose of recording and transcribing testimony given at hearings before the Commission involving any Class A & B utility. The costs for these court reporters are to be charged directly to the involved utility or utilities. (G.S. 62-7(d)) (SB 639)

1982—Major Legislation Affecting the Regulation of Utilities (1982 Short Session)

Changes in Method and Times Per Year the Fuel Clause Adjustment May be Considered and the Treatment of Construction Work in Progress (CWIP) for Rate-Making Purposes. Chapter 62 of the General Statutes is amended by adding a new section, G.S. 62-133.2 (HB 1594). This new section provides that the Commission shall conduct only one hearing for each electric utility within 12 months of the last general rate case for the purpose of determining whether an increment or decrement rider is required to reflect actual changes in the cost of fuel and the fuel cost component of purchased power over or under base rates established in the last preceding general rate case. The amended law also provides that the Commission shall allow only that portion, if any, of a requested fuel adjustment that is based on adjusted and reasonable fuel expenses prudently incurred under efficient management and economic operations. Before enactment of this amendment, there were fuel costs adjustment proceedings three times a year; and the Commission had been barred by court decisions from reducing fuel charges because of inefficient management of poor plant performance. The old fuel adjustment procedure in G.S. 62-134(e) is repealed.

CWIP changes for rate-making purposes were implemented by the legislature by changing words in the second sentence of G.S. 62-133(b) (1) from "shall be included" to "may be included, to the extent the Commission considers such inclusion in the public interest and necessary to the financial stability of the utility in question."

Prior to this change (since July 1, 1979) in the wording of G.S. 62-133(b) (1), the Commission had been required to include in the rate base for rate-making purposes the reasonable original cost of CWIP which had the effect of allowing the utilities to recover through rates the costs of obtaining money to build new facilities. The new law gives the Commission discretionary authority on whether to include CWIP costs in rates. The new law was effective June 17, 1982, the date of ratification.

1983—Major Legislation Affecting the Regulation of Utilities

Amendments to Appeal Procedures

Chapter 526, House Bill 493 is an act to implement the Constitutional amendment regarding appeal of Utility Commission orders. G.S. 7A-29 is amended to show appeals in a general rate case from decisions

of the Utilities Commission, now go directly to the Supreme Court. In the past, according to G.S. 7A-29, the appeal shall lie to the Court of Appeals.

Chapter 572, House Bill 513, is an act to clarify the filing of a notice of appeal in all appeals taken from decisions of the Utilities Commission. G.S. 62-90(a) is rewritten to include that any party to a proceeding before the Commission may appeal any final decision of the Commission within 30 days, if they file with the Commission a notice of appeal and set forth the grounds which they believe to be unjust or unreasonable. All other parties may give notice of cross appeal, if they explain the grounds which they believe to be unjust or unreasonable, within 20 days after the first notice of appeal.

Compensation for Outside Counsel—Certain Natural Gas Litigation

Sec. 132. Compensation for outside legal fees in excess of twenty-five thousand dollars (25,000) per year incurred by the North Carolina Utilities Commission on behalf of the using and consuming public in conjunction with natural gas litigation brought before federal courts and agencies shall be paid from refunds received from the Transcontinental Gas Pipeline Company rather than from the Contingency and Emergency Fund, provided that the agreement must be approved by the State Budget Office.

Transfer of Motor Carrier Safety Regulation to DMV

Sec. 137. The safety regulation of all motor carrier transportation services is transferred from the Utilities Commission, Department of Commerce, to the Division of Motor Vehicles, Department of Transportation. This transfer shall be a "type I transfer" as identified in G.S. 143A-6. The regulation of rates and market entry for motor carrier transportation services shall remain vested in the Utilities Commission. The agencies of State government affected by this transfer shall report to the 1984 Session of the General Assembly about any changes in the General Statutes required by this transfer.

1984—Major Legislation Affecting the Regulation of Utilities

Utility Federal Tax Refund

Chapter 1097, House Bill 1513, is an act to change the state tax structure for commodities and services provided by certain utilities. This act will enable individuals to deduct the taxes on these commodities and services from their Federal income. This does not change rates, it simply converts about one-half the franchise tax to a sales tax so that the sales tax can be deducted from an individual's Federal income tax liability as an itemized deduction. It is the policy of this State that as many State taxes as possible be structured so that they are deductible for Federal income tax purposes under the Internal Revenue Code. This bill was ratified July 6, 1984, and was made effective on January 1, 1985.

FIGURE NO. 1-3

NORTH CAROLINA UTILITIES COMMISSION
Receipts and Expenditures
Fiscal Year Ended June 30, 1984[1]

Source	Commission Staff	Public Staff	Total Miscellaneous
General Fund Appropriation	$ 1,571,065.55	$ 2,457,526.87	$ 4,028,592.42
Other Receipts:			
State Highway Commission	166,123.30		166,123.30
Fees Collected by Commission:			
Transportation Division	419,854.74		419,854.74
Transferred to Public Staff	(168,974.00)	168,974.00	0
Office of Chief Clerk	255,266.62	1,376.70	256,643.32
Misc. Fees & Sales of Equipment	333.59		333.59
Transfer — Prior Years	8,178.00		8,178.00
Federal Funds			
National Science Foundation	2,200.00		2,200.00
U.S. Gas Safety Program	75,248.00		75,248.00
Rail Safety	33,949.65		33,949.65
	$ 2,363,245.45	$ 2,627,877.57	$ 4,991,123.02
Expenditures			
Salaries and Wages	$ 1,511,266.48	$ 2,059,002.83	$ 3,570,269.31
Fringe Benefits	296,086.54	403,867.62	699,954.16
Legal and Consulting Fees	100,043.61	0	100,043.61
Contracted Services	65,081.50	0	65,081.50
Materials & Supplies	10,844.99	3,235.43	14,080.42
Travel	117,869.46	59,190.67	177,060.13
Postage, Telephone, Printing	90,744.42	36,527.42	127,271.84
Photocopying	27,398.00	19,669.57	47,067.57
Repairs of Building and Equipment	6,222.32	3,115.73	9,338.05
Data Processing Service	6,809.24	15,992.54	22,801.78
Employee Educational	95.00	1,209.50	1,304.50
Other Services and Expenses	1,405.42	1,011.82	2,417.24
Rent — Building and Offices	1,077.22	120.00	1,197.22
Insurance and Bonding	99.70	3.55	103.25
Dues and Subscriptions	7,228.20	4,073.67	11,301.87
Office Furniture, Equipment, Books	21,588.08	9,153.23	30,741.31
Data Processing Equipment	85,752.18	9,325.05	95,077.23
Other Expenses	13,633.09	2,378.94	16,012.03
	$ 2,363,245.45	$ 2,627,877.57	$ 4,991,123.02
Number of Funded Positions	57[2]	80	137

[1] The 1977 N.C. General Assembly amended General Statute 62 to provide for a Public Staff in the Utilities Commission to represent the using and consuming public. Effective July 1, 1977, the Commission was completely restructured into two staffs, creating a budget for each staff.

[2] As of September 1, 1983, twenty-five (25) positions were transferred to the Department of Transportation, Division of Motor Vehicles to continue to administer the registration and insurance functions relating to the regulated motor passenger and motor freight carriers of North Carolina.

II. Selected Commission Activities January 1984 through March 1985

A. GENERAL

1. Public Involvement

The Commission has continued its emphasis on improving its public image by making its activities open for participation by the public and other interested parties. The table below shows the number of formal hearings held in Raleigh and in the service areas of the utilities involved; many of these hearings were held at night.

	Fiscal Years Ended June 30th						
	1978	1979	1980	1981	1982	1983	1984
Total Formal Hearings Held	225	269	211	271	186	227	176
Number of Hearings Held Away From Raleigh in Utility Service Areas	42	63	72	58	72	71	64
Percent of Total Hearings Held Away from Raleigh	19%	23%	34%	21%	38%	31%	36%

The primary reason for holding hearings in the service areas of the utilities involved in the hearings is to make it easier for the local consumers and general public to attend and to offer testimony if they so choose. Attendance at such hearings provides a broader knowledge of the scope and complexities of issues with which the Commission, the Public Staff, and all other participants must deal.

Advance public notice is given for all hearings of general interest and especially rate case hearings. Also, news releases are made of important Commission decisions and activities. All Commission weekly conferences (Monday mornings generally) are open to the public as a spectator or participant.

B. ELECTRIC

1. Load Forecast — N.C. Electricity Needs (1985-1994)

The General Statutes of North Carolina require that the Commission develop an analysis of the long-range needs for expansion of facilities for the generation of electricity in North Carolina. (G.S. 62-110.1). On December 1, 1983, the Commission issued its order adopting updated forecasts and plans for meeting long-range needs for electric facilities in North Carolina—1982/1983 in Docket No. E-100, Sub 46. The Order contained the most recent findings and conclusions of the Commission regarding generating capacity expansion by electric utilities serving North Carolina.

On July 17, 1984, the Commission issued an Order scheduling further hearings in Docket No. E-100, Sub 50, for the purpose of considering further updates to the various load forecasts and capacity expansion plans. The hearings were scheduled for early spring 1985, but subsequently, several parties to the proceeding requested that the hearings be postponed until late summer or early fall 1985. The Commission concluded that the next load forecast hearings could be delayed until the spring of 1986, in view of the fact that there has been no dramatic change in the rate of growth in demand for electricity since the adoption of the Commission's last forecast in Docket No. E-100, Sub 46. Following are some load forecasts based on the most current annual reports filed by the electric companies:

Company	% Annual Growth Rates in Peak Demand During 1985-1994
CP&L	2.0%-3.0%
Duke	1.7%-2.4%
Vepco	1.5%-2.5%

The current load forecasts adopted by the Commission are based in large part on the premise that conservation, load management, and emerging alternative resources represent permanent changes in the approach of society toward the use of energy. Uncertainties concerning when the various known energy alternatives will become available in sufficient quantity to be of significant impact during the current planning horizon places the Commission in the position of having to evaluate "most likely" forecasts, while at the same time working to encourage energy alternatives which could change those "most likely" forecasts. Thus, the Commission finds it necessary to allow for a great deal of flexibility in the planning for generation capacity expansion.

2. The Alternative Energy Corporation

CREATION AND STRUCTURE

The State of North Carolina responded to its own particular energy challenge by establishing the North Carolina Alternative Energy Corporation (AEC) to identify, adapt, and promote alternative energy technologies and systems suited to North Carolina requirements. The AEC was established by the North Carolina Utilities Commission in 1980 after a series of public hearings that explored the state's energy situation. The Commission concluded that a statewide organization was needed to concentrate on solving electricity-related energy problems. The Commission structured the AEC as a quasi-public, nonprofit, private corporation and secured financial support for the Corporation from both the regulated and nonregulated electric suppliers in North Carolina.

The AEC is specifically charged with (1) finding and implementing alternative energy systems which can moderate the growth of electric demand in North Carolina and (2) working to shift peak demands for electric power in a cost-effective manner. To accomplish this the AEC is actively working on both electrical demand reduction systems, alternative energy supply systems, and especially seeking new and better methods of conserving energy.

AEC efforts are divided into industry, buildings, utilities, communities, and agriculture programs. During 1984 the AEC has encouraged industry to select cost-effective cogeneration sys-

tems for supplying both steam and electricity through the use of validated computer models, on-site demonstrations, and plant tours. The AEC has encouraged farmers to use electric load management control techniques on tobacco curing barns and to improve the energy efficiency of the livestock production process. More than half of North Carolina's electricity consumption is in the residential/commercial sector. AEC work in 1984 includes careful testing and data collection from heat pumps and solar collectors, refining computer models that compare the performance and cost of energy technologies used in commercial and residential buildings, and persuading homebuilders of the market advantages of energy-efficient homes. The AEC established the nation's first statewide Energy Conservation Fund to assist nonprofit organizations to have their facilities audited, to work with their staff and management to understand the value of the energy efficiency measure proposed, to help arrange attractive financing, and to ensure that final results lead to worthwhile savings. By the middle of 1984, 130 buildings at 51 sites had been audited with 24 nonprofit organizations implementing energy efficiency measures.

The AEC is governed by a Board of Directors composed of both public and utility representatives. The six utility organizations which provide funding for the AEC each appoint a director. These directors represent the state's investor-owned generation/transmission/distribution utilities (Carolina Power & Light Co., Duke Power Co., Nantahala Power and Light Co., and Virginia Electric & Power Co.), the association of electric cooperatives (North Carolina Electric Membership Corporation), and the association of municipal electric systems (ElectriCities).

The Governor of North Carolina appoints the remaining seven directors, one of whom must be the Chairman of the Board. This framework brings individuals representing widely different interests and perspectives together to work toward the common goals of maximum enegy efficiency and minimum energy costs.

The six utility organizations contribute to the AEC in proportion to their kilowatt-hour sales. The AEC operates with an annual budget of approximately $2.3 million which is further supplemented by funds from outside sources where jointly funded projects are attractive.

The AEC structure combines the flexibility and quick response of a private corporation with the public accountability inherent in a quasi-public organization. As such it encourages high levels of cooperation among all major producers of energy within North Carolina. Corporate flexibility allows projects to be implemented that precisely address important issues in order to accelerate widespread application of alternative energy technologies and techniques.

3. CWIP—Mandatory Inclusion in Rate Base Rescinded by the Legislature

On June 17, 1982, in a called short session, the North Carolina General Assembly enacted into law language changes in G.S. 62-133(b) (1) that had the effect of rescinding the manadatory inclusion in the rate base of Construction Work in Progress (CWIP) for rate-making purposes. The change in the statute from "shall be included" to "may be included" gives the Commission discretionary powers on this matter. The mandatory inclusion had been in effect since July 1, 1979, and had provided millions of additional dollars for the utilities. Because of the large construction programs, additional revenues required to support the allowed rate of return on the CWIP portion of investment in the most recent general rate cases amounted to approximately $165 million for CP&L, none for Duke, and $4 million for Vepco. The real impact of this change in the treatment of CWIP on the consumers and on the ability to raise capital by the utilities depends to a large degree on the extent to which the Commission continues to allow all or a portion of CWIP in the rate-making process.

C. Consumer Pocketbook Issues

1. General Rate Case Decisions 1970-1984

A summary of the Commission decisions in general rate cases for the 15-year period from 1970 through December 1984 for the electric, gas, and telephone groups show that 59.3% of the amount requested has been granted. Broken down by groups the amounts granted were electric—61.5%; gas—62.2%; and telephone— 53.3%. (See Figure No. 2-1 for yearly totals.)

During the most current four-year period of 1981 through December 1984, the percentage granted for each group was less than for the previous 11 years of 1970 through December 1980; but the amount requested was about 50% greater than that requested during the entire previous 11 years. The amount granted during the most current four years was about 18% more than was granted during the previous 11-year period, although the gas group when taken alone was granted slightly less than for the previous 11 years. The following table shows the progression of amounts requested and granted during the last four years compared to the amounts requested and granted during the period from 1970 through 1980.

Period	Group	Requested (000s)	Granted (000s)	% Granted
1970-1980	Electric	$1,004,343	$ 731,261	72.8
	Gas	54,512	36,633	67.2
	Telephone	323,740	173,099	53.5
		$1,382,595	$ 940,993	68.1
1981-1984	Electric	$1,424,611	$ 761,856	53.5
	Gas	56,251	32,282	57.4
	Telephone	588,287	313,225	53.2
		$2,069,129	$1,107,363	53.5
1970-1984	Electric	$2,428,954	$1,493,117	61.5
	Gas	110,743	68,915	62.2
	Telephone	912,027	486,324	53.3
		$3,451,724	$2,048,356	59.3

Many factors such as interest rates, quality of service, cost of fuel, availability of gas supplies, future demands for utility service, and utility managerial efficiency contribute to the final decisions reached by Commissioners in general rate case decisions. All of these factors are thoroughly investigated and evaluated by the Public Staff of the Commission for each rate case and then presented to the Commission for consideration as to treatment in the case. Some facts, however, lie beyond the control of the Commission and can account for even larger increases than the rate cases themselves. Cost of gas to the gas companies from the State's only supplier, Transcontinental Gas Pipeline Corporation (TRANSCO) requires an adjustment to consumers' gas rates, but this type of adjustment is made through a staff conference rather than through a general rate case. Fuel consumed for the generation of electricity was adjusted at intervals through regular open conference until June 17, 1982, when the procedure was changed to include fuel cost adjustments in general rate cases or through a formal hearing within 12 months of the last general rate case. For both gas companies and electric companies, the price, or cost adjustment to the ultimate consumer, is not necessarily the result of just general rate cases and, in fact, these cost adjustments can have as much or an even greater effect on the cost of services to the ultimate consumer than any other aspect of the industry.

2. N.C. Utility Rates v. Consumer Price Index (CPI)

Increasing utility rates during the past two years (1983 and 1984) moderated when compared to the previous eight years (1975-1982) and the overall cost of living measured by the consumer price index (CPI). The increase in electric rates substantially exceeded the CPI from 1983 to 1984. The main reason for the continuing high rate of increase in electric rates is the high level of expenditures required for the completion of generating facilities (mostly nuclear) which are estimated to be required to meet future projected growth in demand for energy. These expenditures become a part of the growing rate base investment and require increased revenues to produce a reasonable rate of return.

Gas rates changed negligibly from one year ago which provided a welcome relief for gas customers who for the previous eight years experienced an average annual 22.6 percent increase in rates or a 128.1 percent increase greater than the increase in CPI for the eight-year period. The gas supply did a turnaround during 1983 from a shortage to an abundance as the result of many factors such as alternative fuels at competitive prices and new gas supplies being discovered. Currently, the gas supply is such that the distribution companies do not expect a "fly up" in natural gas prices even though additional categories of gas became deregulated on January 1, 1985.

The combined business and residential average monthly telephone bill for local service decreased by 3.87% or from $26.07 to $25.06 from 1983 to 1984 due largely to telephone customers exercising their option to buy their telephone instruments rather than to continue leasing the instruments from their telephone company.

The actual reduction in local service bills may not be immediately apparent to telephone customers who exercised the option because the initial cost of the equipment must be absorbed before savings can be realized. The telephone company on the other hand realized an immediate reduction in local service revenues from leased equipment because of the purchase.

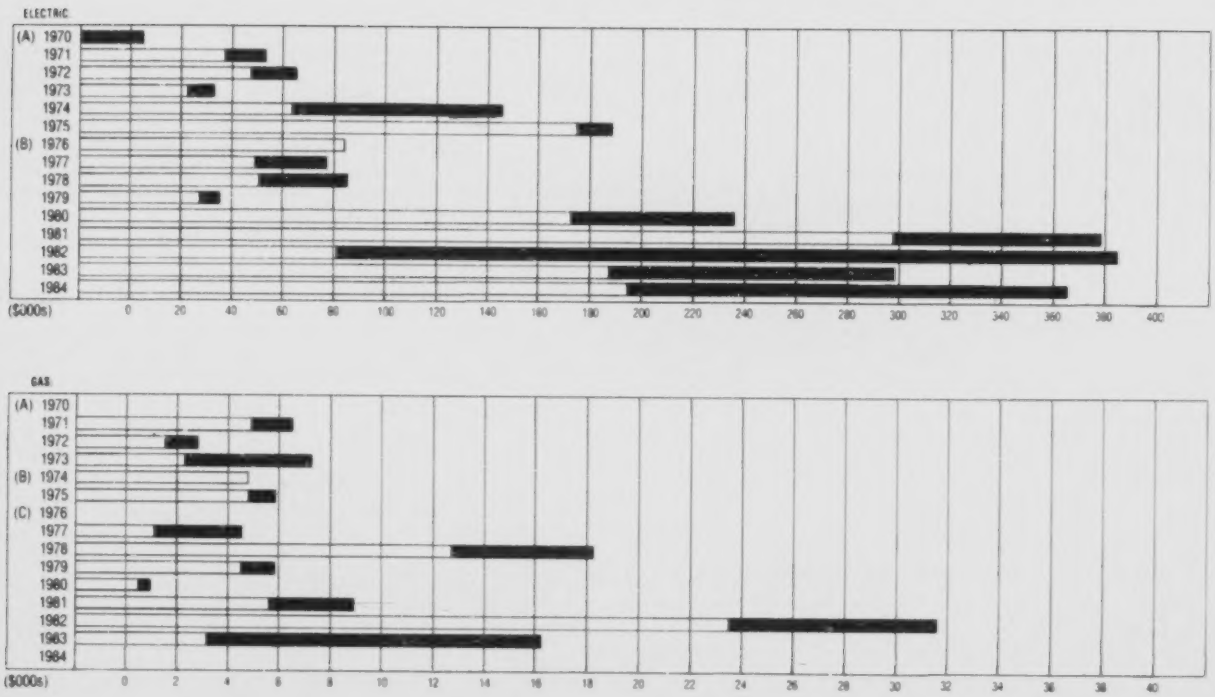
The following table shows the electric, gas, and telephone utility costs compared to the CPI for the years of 1975 through 1982 and 1983 to 1984.

Year Ended December 31	Average Residential Electric Rates Per kWh	Average Residential Gas Rates Per Dekatherm ($)	Average Monthly Telephone Bill For Local Service (All Customers) ($)	Consumer Price Index All Urban Consumers
1975	3.09¢	$1.99	$14.88	161.2
1980	4.29¢	$4.08	$20.03	246.8
1982	5.82¢	$5.59	$24.79	289.1
1975-82 % Change	88.3%	180.9%	66.6%	79.3%
1983	6.11¢	$6.50	$26.07	298.4
1984	6.62¢	$6.51	$25.06	311.1
1983-84% Change	8.3%	.2%	(3.87%)	4.3%

*Adjusted for telephone equipment lease income transferred to AT&T Information Systems from Southern Bell (approximately $119,000,000 for 1984)

FIGURE NO. 2-1

ELECTRIC, GAS, & TELEPHONE GENERAL RATE CASE DATA
AMOUNTS REQUESTED & GRANTED
FOR CALENDAR YEARS 1970-1984
($ 000s)



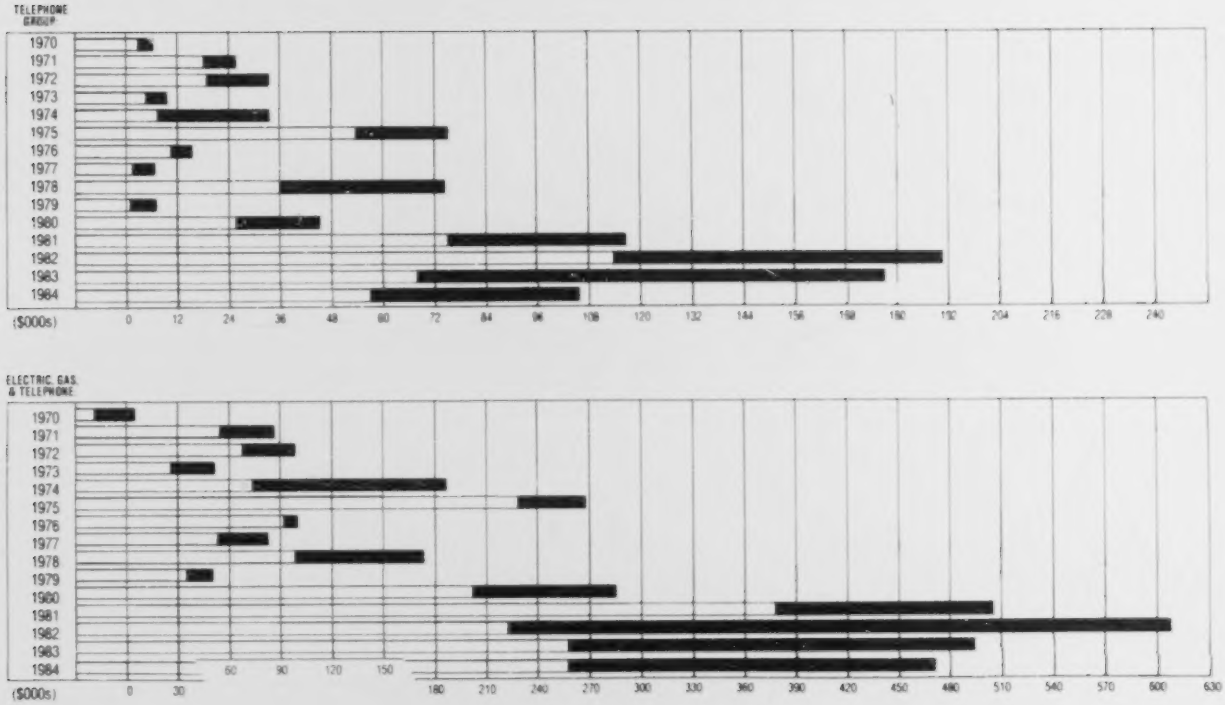
Legends: Granted Requested A — None Granted B — Request Granted in Full C — None Requested

SUMMARY OF GENERAL RATE CASES
($ in 000s)

Electric Group	Requested	Granted	% Granted	Gas Group	Requested	Granted	% Granted
1970	$ 1,280	$ —0—	—0—	1970	$ —	$ —	—
1971	56,533	39,045	69.1	1971	6,414	4,955	77.3
1972	63,728	48,120	75.5	1972	277	175	63.2
1973	32,555	22,769	69.9	1973	7,220	2,264	31.4
1974	144,793	61,439	42.4	1974	4,806	4,806	100.0
1975	186,871	175,255	93.8	1975	5,952	4,817	80.9
1976	82,656	82,656	100.0	1976	—	—	—
1977	77,711	49,615	63.8	1977	4,451	1,514	34.0
1978	83,996	51,423	61.2	1978	18,124	12,533	69.2
1979	35,511	28,314	79.7	1979	5,984	4,353	72.7
1980	238,709	172,625	72.3	1980	1,284	1,216	94.7
Sub Total	$1,004,343	$ 731,261	72.8	Sub Total	$ 54,512	$ 36,633	67.2
1981	$ 379,813	$ 299,200	78.8	1981	$ 8,801	$ 5,610	63.7
1982	382,009	80,244	21.0	1982	31,397	23,615	75.2
1983	298,072	186,871	62.7	1983	16,033	3,057	19.1
1984	364,717	195,541	53.6	1984	—	—	—
Sub Total	$1,424,611	$ 761,856	53.5	Sub Total	$ 56,231	$ 32,282	$ 57.4
GRAND TOTAL	$2,428,954	$1,493,117	61.5	GRAND TOTAL	$ 110,743	$ 68,915	62.2

FIGURE NO. 2-1 (Continued)

ELECTRIC, GAS, & TELEPHONE GENERAL RATE CASE DATA
AMOUNTS REQUESTED & GRANTED
FOR CALENDAR YEARS 1970-1984
($ 000s)



Telephone Group	Requested	Granted	% Granted
1970	$ 449	$ 392	87.3
1971	25,512	14,722	57.7
1972	34,323	15,834	46.1
1973	9,299	3,993	42.9
1974	33,812	8,271	24.5
1975	76,477	51,015	66.7
1976	14,683	10,232	69.7
1977	4,325	3,591	83.0
1978	73,766	36,000	48.8
1979	5,812	3,560	61.3
1980	45,282	25,489	56.3
Sub Total	$ 323,740	$ 173,099	53.5
1981	$ 116,382	$ 74,526	64.0
1982	190,393	114,383	60.1
1983	177,407	67,559	38.1
1984	104,105	56,757	54.5
Sub Total	$ 588,287	$ 313,225	53.2
GRAND TOTAL	$ 912,027	$ 486,324	53.3

Electric, Gas & Telephone Groups	Requested	Granted	% Granted
1970	$ 1,729	$ 392	22.7
1971	88,459	58,722	66.4
1972	98,328	64,129	65.2
1973	49,074	29,026	59.1
1974	183,411	74,516	40.6
1975	269,300	231,087	85.8
1976	97,339	92,888	95.4
1977	86,487	54,720	63.3
1978	175,886	99,956	56.8
1979	47,307	36,227	76.6
1980	285,275	199,330	69.9
Sub Total	$1,382,595	$ 940,993	68.1
1981	$ 504,996	$ 379,336	75.1
1982	603,799	218,242	36.1
1983	491,512	257,487	52.4
1984	468,822	252,298	53.8
Sub Total	$2,069,129	$1,107,363	53.5
GRAND TOTAL	$3,451,724	$2,048,356	59.3

III. Summary Of The Commission Activities And Operations — 1982-1983 And Prior Years

A. NUMBER OF COMPANIES REGULATED

At December 31, 1983, there were 1,366 companies regulated by the North Carolina Utilities Commission as compared with 1,281 in 1982. In addition 80 municipal utility systems, while not regulated by the Commission, were required to file annual reports, making a grand total of 1,446 utilities regulated or required to file annual reports as of December 31, 1983. Many changes take place annually in various utility groups since new companies are being certified and others are being deleted because of sales, mergers, and abandonments. See Figure No. 3-2.

B. COMMISSION CASE LOAD: FORMAL AND INFORMAL HEARINGS

In addition to the multiplicity of decisions made informally by the Commission in conferences with its staff and interested parties, the Commission maintains a full docket of formal and semiformal hearings and conferences. There are many small complaints and inquiries disposed of daily by individual Commissioners and individual staff heads (both Commission and Public Staff). These complaints are handled through discussions with utility customers, executives, representatives, organizations, and associations.

During 1983 there were 814 proceedings acted upon, as compared to 2009 in 1982. Included in the 1982 figure are 1,113 orders issued by wire service. The issuance of these type orders was transferred to the Department of Motor Vehicles (DMV) in September 1983. There were 227 formal hearings and 559 informal hearings in 1983. See Figure No. 3-3 for 1983 number of proceedings by type of utility.

The proceedings require much time and effort by personnel of both the Commission and Public Staffs and more time in actual public hearings. The number of pages transcribed by the court reporters over previous years are as follows:

Year	No. of Pages Transcribed
1975	27,938
1976	23,942
1977	30,056
1978	34,057
1979	28,442
1980	28,829
1981	34,205
1982	25,447
1983	28,191

The general rate increase hearings continued to generate much public interest in 1983. The Attorney General represented some segments of the public sector who wished to intervene while others provided their own legal counsel. In addition the Commission's Public Staff intervened in most cases and made their recommendations to the Commissioners. The Public Staff was created by the 1977 Legislature as an independent advocate charged with the responsibility of representing the using and consuming public in matters heard by the Commission.

Both the Commission and the Public Staff's participation in the formal general rate cases continued to increase as the case load increased and many aspects of ratemaking became more technical.

As shown in Figure No. 3-3 many docketed issues are settled by letter type orders and rulings. These are largely matters in which no one has intervened or no general public interest has been demonstrated, as in the case of many gas, electric, telephone, and transportation tariff filings. These types of proceedings accounted for 68.7% of the total proceedings before the Commission in 1983. Generally they require only about 10% to 20% of the time of the Commission's staff and the Commissioners.

Complaint Activity

Another important facet of the Commission and Public Staff workload involves the handling of customer complaints dealing with all aspects of utility operations and services. A vast majority of these complaints are settled without becoming a docketed item and going into informal hearing proceedings. The Public Staff's Consumer Services Division investigated and resolved a majority of these complaints. To illustrate the magnitude of this phase of the Commission workload, the number of complaints received and handled in 1983 was 5,243, compared to 4,942 in 1982, and 5,578 in 1981.

C. GENERAL IMPACT OF THE REGULATED UTILITIES ON THE ECONOMY OF NORTH CAROLINA IN 1983

The regulated utility companies made significant contributions to the economy of the State during 1983. There were 1,446 companies in 1983 compared to 1,361 in 1982. Figure Nos. 3-4, 3-5, and 3-6 portray the magnitude of the contributions in chart and table form. In 1983 employment by the utilities showed an increase of 2.3% from the previous year. Salaries and wages paid to the utility employees continued to increase in dollar amount from more than $1,979 billion in 1982 to $2,124 billion in 1983, a 7.3% increase.

State income, franchise, and property taxes paid by the regulated sector of the State's business community continued to be substantial.

	Utilities Percent of State Totals	
Type Taxes	1982	1983
State Income Taxes (Corporations only)	21.8	22.7
State Franchise Taxes	87.4	87.8
Bus and Truck Fees	22.0	24.1
Local Property Taxes	7.0	6.4
Total of Above Taxes	24.3	23.5

Concurrent with the continuing increase in wages and taxes paid by the regulated utilities, gross operating revenues continued to increase. Figure No. 3-6 depicts this growth with the four Class A electric companies showing an increase of 7.7% in 1983 compared to 1982.

Investment in gross plant allocated to North Carolina by the electric, gas, and telephone utility companies continued to increase over previous years. There was a 2.9% increase in the 1983 total gross plant allocated to North Carolina compared to the previous year, making a total of more than $15 billion as of December 31, 1983 ($15,219,765,000). The increased electric plant investment will serve the increasing number of electric and gas customers which numbered 2,163,258 in 1983 compared to 2,107,632 in 1982. In 1983 there were 2,447,116 telephone access lines reported compared to 2,391,651 in 1982. The telephone industry changed its system of reporting the number of telephones served by each company to the number of access lines. (P-100, Sub 58). As a result of the 2.3% increase in access lines, more funds will be required to provide adequate service to these additional access lines. The use of the term "access" lines instead of "main" lines and the change in method of counting these lines results primarily from the divestiture of American Telephone and Telegraph Company of its operating companies.

The regulated motor freight, motor passenger, and railroad industries play an important role in the industry of North Carolina. However, due to accounting classification changes allowed by the ICC in 1979, and the changes in reporting of information by carriers, less information was available than has been in the past. For detailed information please refer to the individual sections in this publication.

FIGURE NO. 3-1

HIGHLIGHTS OF ACTIVITIES
ELECTRIC, GAS & TELEPHONE UTILITIES
1983 vs 1982
(Dollars in Thousands)

	Electric Class A			Gas All Classes			Telephone All Classes		
	1982	1983	% Change	1982	1983	% Change	1982	1983	% Change
Revenue & Expenses (N.C. Only):									
Operating Revenues	$ 3,081,872	$ 3,319,382	7.7	$ 642,840	$ 701,609	9.1%	$ 1,554,906	$ 1,668,455	7.3
Operating Expenses	2,542,140	2,730,489	7.4	610,642	667,020	9.2	1,274,456	1,355,691	6.4
Net Operating Income Including Taxes	$ 539,732	$ 588,893	9.1	$ 32,198	$ 34,589	7.4	$ 280,450	$ 312,764	11.5
Other Income (Deductions) Net*	363,587	325,787	(10.4)	522	3,551	580.5	19,033	15,885	(16.5)
Fixed Charges	393,684	375,855	(4.5)	15,427	15,177	(1.6)	99,557	105,488	6.0
Net Income	$ 509,635	$ 538,825	5.7%	$ 17,293	$ 22,963	32.8%	$ 199,926	$ 223,161	11.6
Plant (N.C. Only):									
Gross Plant**	$10,207,259	$10,379,876	1.7%	$ 453,053	$ 488,378	7.8%	$ 4,131,058	$ 4,351,511	5.3
Accumulated Depreciation	2,032,779	2,221,147	9.3	136,674	150,213	9.9	895,232	1,049,695	17.3
Net Plant	$ 8,174,480	$ 8,158,729	(.2)%	$ 316,379	$ 338,165	6.9%	$ 3,235,826	$ 3,301,816	2.0
Capital Structure (Systemwide):									
Capital Stock & Surplus	$ 7,962,884	$ 8,367,224	5.1%	$ 157,947	$ 176,626	11.8%	$ 6,871,129	$ 7,002,108	1.9
Long-Term Debt	7,800,548	7,724,033	(1.0)	134,182	143,230	6.7	4,809,538	4,885,321	1.6
Total Capital Structure	$15,763,432	$16,091,257	2.1	$ 292,129	$ 319,856	9.5	$11,680,667	$11,887,429	1.8
Long-Term Debt % of Total Capitalization	49.5	48.0	(3.0)%	45.9%	44.8%	(2.4)%	41.2	41.1	(.2)
Other Statistics (N.C. Only):									
Total Customers Yearly Avg.	1,735,912	1,779,104	2.5%	371,720	384,154	3.3%			
Average No. kWhs (Electric) or MCFs (Gas) Used per Residential Customer	11,652	11,873	1.9%	89	86	(3.4)%			
Average Revenue per kWh or MCF per Residential Customer	5.82¢	6.11¢	5.0%	$ 5.59	$ 6.50	16.5			
Total Access Lines in Service							2,391,651	2,447,116	2.3
Average No. of Calls per Phone:									
Local							2,055	1,878	(8.6)
Toll							201	227	12.9

*Includes all allowance for funds used during construction (AFUDC) and all extraordinary & delayed items.
**Includes Plant in Service, Under Construction, Held for Future Use, and Leased to Others.

FIGURE NO. 3-2

UTILITIES REGULATED AND REPORTING TO THE NORTH CAROLINA UTILITIES COMMISSION 1968, 1973, 1978, 1980, 1982, 1983

Type of Utility or Service	Number as of December 31					
	1968	1973	1978	1980	1982	1983
Electric	12	13	10	9	7	7
Gas	7	5	5	5	4	4
Motor Freight Carriers by Type:						
Common Carriers	523	529	533	555	554	666
Contract Carriers	70	77	89	120	136	137
Common & Contract Carriers	24	19	21	25	18	21
Railroad Motor Freight Carriers	5	5	5	5	4	1
Total Motor Freight Carriers	622	630	648	705	712	825
Motor Passenger Carriers by Type:						
Common Carriers	49	45	59	60	75	48
Contract Carriers	11	7	4	4	4	2
Intracity Carriers (fares only regulated)	9	9	10	10	8	3
Total Motor Passenger Carriers	69	61	73	74	87	53
Motor Boat Common Carriers	2	3	2	2	4	3
Railroads	26	23	23	23	22	20
Transportation Brokers	4	5	27	27	49	59
Telephone	29	28	22	21	20	19
Telegraph	1	1	1	1	1	1
Water & Sewer	144	243	403	398	375	375
Total Utilities Under Regulation	916	1,012	1,214	1,265	1,281	1,366
Municipal Utility Systems Required to File Annual Reports with N.C. Utilities Commission:						
Electric	73	72	71	71	71	71
Gas	8	8	8	8	8	8
Telephone	1	1	1	1	1	1
Total Municipals Filing Annual Reports	82	81	80	80	80	80
Grand Total of Utilities Regulated or Required to File Reports	998	1,093	1,294	1,345	1,361	1,446

FIGURE NO. 3-3

TOTAL VOLUME OF PROCEEDINGS BROUGHT BEFORE THE COMMISSION DURING THE CALENDAR YEAR ENDING DECEMBER 31, 1983

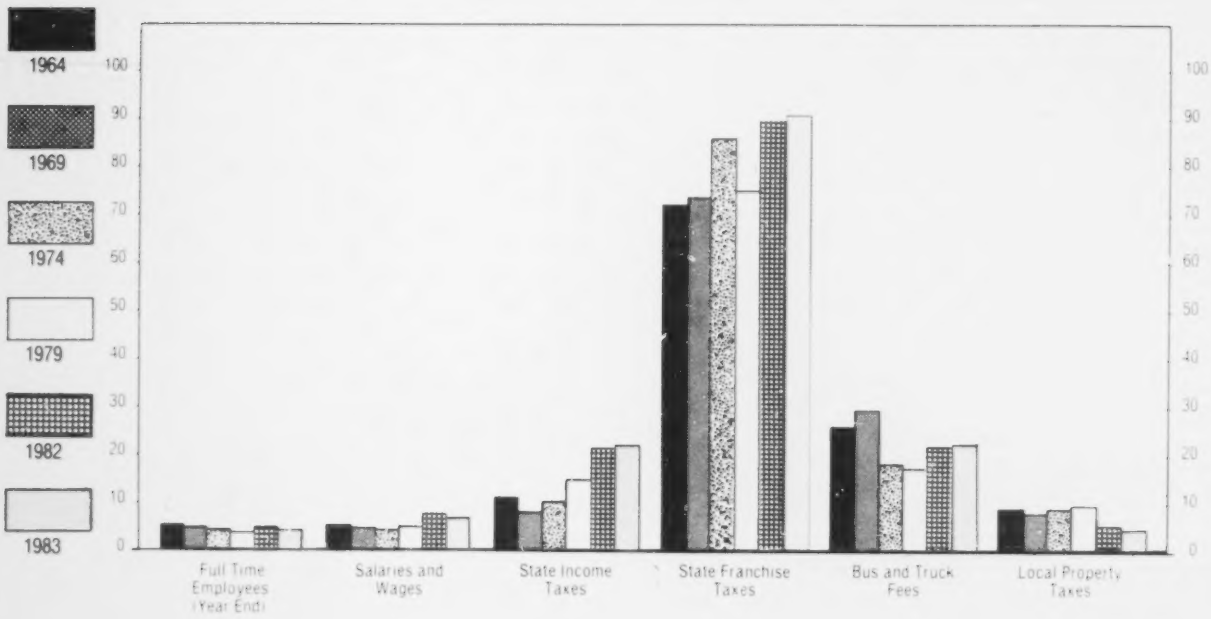
Item		Buses	Electric	Gas	Railroads	Telephone	Trucks	Water and Sewer	Western Union	Gen. and Misc.	Grand Totals
Total Proceedings Before Commission	1983	45	54	38	41	309	165	139	-0-	23	814
Disposition of Proceedings											
1. Formal hearing held with orders to follow	1983	14	18	4	2	33	68	71	-0-	17	227
2. Conferences with informal hearings held with the following type of decisions resulting:											
a. Regular and Letter type	1983	31	36	34	39	276[1]	69	68	-0-	6	559
b. Short form orders issued	1983	-0-	-0-	-0-	-0-	-0-	28	-0-	-0-	-0-	28
Total Proceedings Accounted For	1983	45	54	38	41	309	165	139	-0-	23	814
Percent of Grand Total	1983	5.53	6.63	4.67	5.04	37.96	20.27	17.08	-0-	2.83	100.00
Number of Orders Appealed	1983	-0-	10	-0-	1	-0-	-0-	-0-	-0-	-0-	11

[1]Includes 205 tariff filings and 21 map filings.

FIGURE NO. 3-4

IMPACT OF REGULATED UTILITIES ON THE ECONOMY OF NORTH CAROLINA
1964, 1969, 1974, 1979, 1982, 1983

Utilities Percent of State Totals



1983 Data

Utilities	93,771	$ 2,124,054	$ 69,718	$313,046	$13,896	$ 85,654
State Totals	1,991,104	$29,101,747	$306,517	$356,307	$57,747	$1,338,227

FIGURE NO. 3-5

IMPACT OF REGULATED UTILITIES ON THE ECONOMY OF NORTH CAROLINA SELECTED STATISTICS ABOUT EMPLOYMENT, WAGES, AND CERTAIN TAXES PAID OR LEVIED — FOR THE YEARS 1964, 1969, 1974, 1979, 1982, 1983

	Number of Full-Time Employees (N.C. Portion Only)					
	1964	1969	1974	1979	1982	1983
Electric (Class A only)	7,462	8,824	14,524	17,959	20,484	20,765
Gas	1,328	1,863	1,851	1,891	2,287	2,277
Telephone	11,563	16,526	20,146	21,188	21,254	20,106
Motor Freight Carriers[A]	25,072	33,472	37,183	41,734	39,638	42,144
Motor Passenger Carriers[A]	2,619	2,667	2,770	2,168	2,246	2,123
Railroads	8,912	7,449	7,515	6,987	5,631	6,253
Western Union	274	294	239	110	93	103
Total Utilities	57,230	71,095	84,228	92,037	91,633	93,771
Total for State	1,026,708	1,333,349	1,724,709	1,935,641	1,925,273	1,991,104
Utilities % of State Total	5.6%	5.3%	4.9%	4.8%	4.8%	4.7%

	Salaries and Wages Paid to N.C. Employees ($000's)					
	1964	1969	1974	1979	1982	1983
Electric (Class A only)	$ 46,296	$ 69,817	$ 168,099	$ 297,320	$ 490,832	$ 540,935
Gas	6,973	12,716	17,094	26,774	41,648	43,887
Telephone	62,614	108,143	206,008	359,413	490,975	506,186
Motor Freight Carriers[A]	150,116	253,258	397,185	657,291	758,531	835,828
Motor Passenger Carriers[A]	12,972	16,508	22,578	27,787	36,930	36,551
Railroads	54,938	66,028	100,255	136,493	157,953	158,460
Western Union	1,411	2,006	1,899	1,324	2,409	2,207
Total Utilities	$ 335,320	$ 528,476	$ 913,118	$ 1,506,402	$ 1,979,678	$ 2,124,054
Total for State[A]	$ 4,280,588	$ 7,380,668	$ 13,107,494	$ 21,050,398	$ 26,390,284	$ 29,101,747
Utilities % of State Total	7.8%	7.2%	7.0%	7.2%	7.5%	7.3%

	Average Annual Compensation					
	1964	1969	1974	1979	1982	1983
Electric (Class A only)	$ 6,204	$ 7,912	$ 11,754	$ 16,555	$ 23,962	$ 26,050
Gas	5,250	6,825	9,235	14,159	18,211	19,274
Telephone	5,415	6,544	10,226	16,963	23,100	25,175
Motor Freight Carriers	5,987	7,566	10,682	15,750	19,147	19,833
Motor Passenger Carriers	4,953	6,190	8,151	12,817	16,442	17,217
Railroads	6,164	8,864	13,341	19,535	28,050	25,341
Western Union	5,149	6,823	7,946	12,036	25,903	21,427
Total Utilities	$ 5,859	$ 7,433	$ 10,841	$ 16,367	$ 21,604	$ 22,652
Total for State	$ 4,169	$ 5,535	$ 7,600	$ 10,875	$ 13,707	$ 14,616

(A) Table 1, "Insured Employment & Wage Payments" for years reported. Motor Freight — Industry Group 421. Motor Passenger — Industry Group 411 & 413. State totals are for all industries with insured employment.

FIGURE NO. 3-5 (Continued)

IMPACT OF REGULATED UTILITIES ON THE ECONOMY OF NORTH CAROLINA
SELECTED STATISTICS ABOUT EMPLOYMENT, WAGES, AND CERTAIN TAXES
PAID OR LEVIED — FOR THE YEARS 1964, 1969, 1974, 1979, 1982, 1983

State Franchise Taxes ($000's)

	1964	1969	1974	1979	1982	1983
Electric (Class A only)	$ 15,551	$ 24,338	$ 63,952	$ 117,579	$ 179,204	$ 194,208
Gas	2,868	5,210	8,469	20,427	38,376	41,622
Telephone	8,403	13,799	25,982	46,989	67,675	75,793
Railroads	1,076	1,256	1,507	1,713	1,378[C]	1,387[A]
Western Union [A]	23	27	32	41	50	36
Total Utilities	$ 27,921	$ 44,630	$ 99,942	$ 186,749	$ 286,683	$ 313,046
Total for State [A] [B]	$ 37,976	$ 60,597	$ 111,742	$ 250,918	$ 327,892	$ 356,307
Utilities % of State Total	73.5%	73.7%	89.4%	74.4%	87.4%	87.8%

Local Property Taxes ($000's)

	1964	1969	1974	1979	1982	1983
Electric (Class A only)	$ 8,192	$ 12,436	$ 22,806	$ 33,393	$ 38,471	$ 42,617
Gas	1,180	2,173	2,731	2,984	3,471	3,729
Telephone	5,282	10,251	20,655	30,084	32,303	32,333
Motor Freight Carriers (Class I & II)	662	1,405	1,721	1,513[F]	1,499	1,489
Railroads	3,533	3,144	3,427	4,613[F]	5,062	5,425
Western Union [D]	29	40	66	56	60	61
Total Utilities	$ 18,898	$ 29,499	$ 51,406	$ 72,643	$ 80,866	$ 85,654
Total for State [E]	$ 236,942	$ 389,764	$ 614,893	$ 867,422	$ 1,150,667	$ 1,338,227
Utilities % of State Total	8.0%	7.6%	8.4%	8.4%	7.0%	6.4%

State Income Taxes

	1964	1969	1974	1979	1982	1983
Electric (Class A only)	$ 4,643	$ 4,390	$ 2,341	$ 16,460	$ 34,066[I]	$ 39,124[I]
Gas	419	592	933	1,420	1,037	1,877
Telephone	3,244	4,785	7,071	14,223	20,638	22,752
Motor Freight Carriers (Class I & II)	615	422	1,159	1,500[G]	2,500[G]	3,050[F]
Motor Passenger Carriers	170	131	113	177[H]	163[H]	173[F]
Railroads	546	613	644	1,326	2,229	2,742[F]
Total Utilities	$ 9,637	$ 10,933	$ 12,261	$ 35,106	$ 60,633	$ 69,718
Total for State [A] (Corporations only)	$ 76,916	$ 109,118	$ 165,474	$ 284,669	$ 277,448	$ 306,517
Utilities % of State Total	12.5%	10.0%	7.4%	12.3%	21.8%	22.7%

Bus and Truck Fees

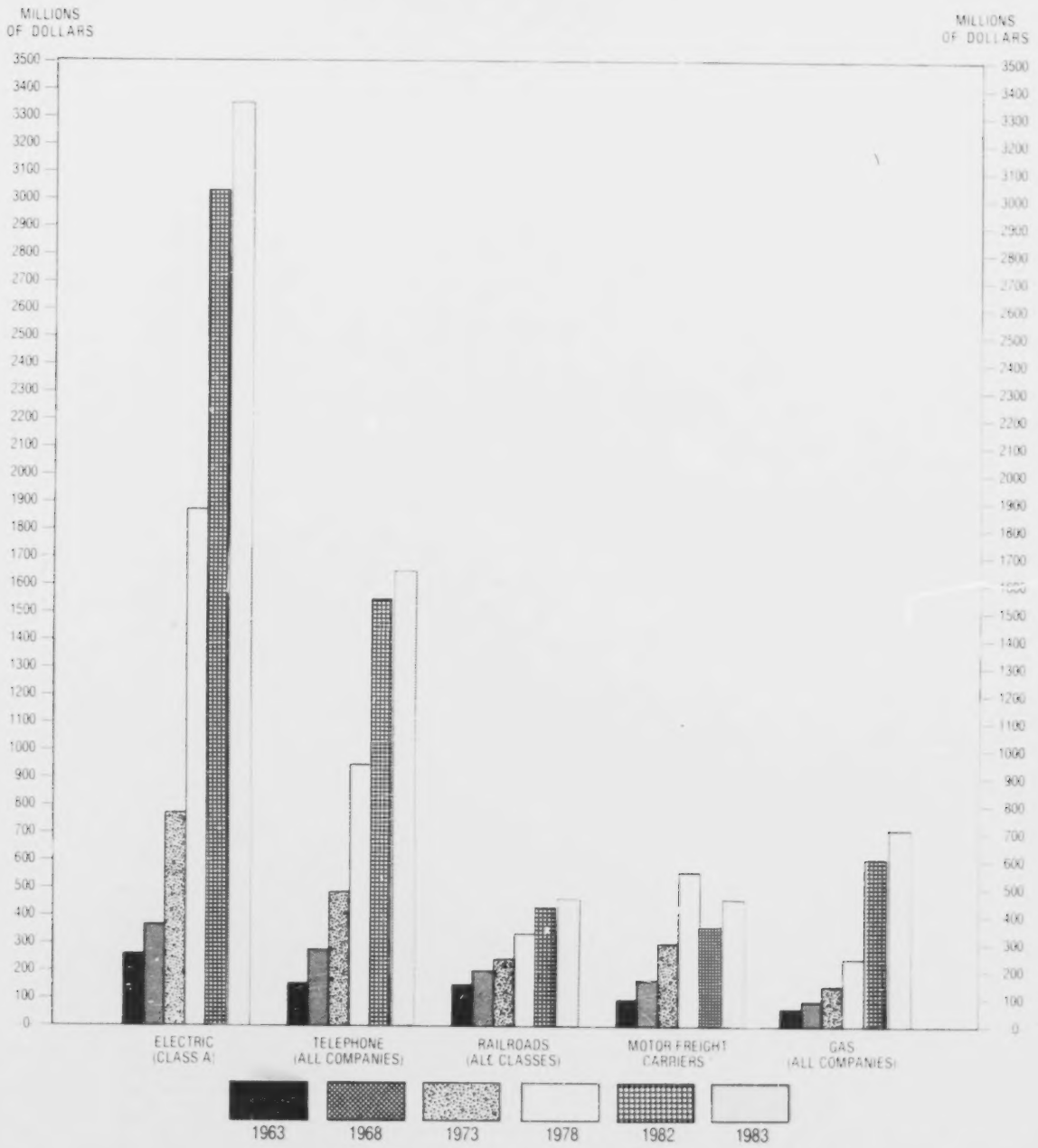
	1964	1969	1974	1979	1982	1983
Motor Freight Carriers (Class I & II)	$ 5,978	$ 9,105	$ 9,468	$ 9,763	$ 12,132	$ 13,183
Motor Passenger Carriers	277	344	526	603	656	713
Total Utilities	$ 6,255	$ 9,449	$ 9,994	$ 10,366	$ 12,788	$ 13,896
Total for State	$ 24,463	$ 32,343	$ 39,793	$ 61,214	$ 58,127	$ 57,747
Utilities % of State Total	25.6%	29.2%	25.1%	16.9%	22.0%	24.1%

(A) Statement of the Revenues of the General Fund for the fiscal years reported, from the Dept. of Administration, Budget Division. State Income Tax Totals for domestic and foreign corporations only.
(B) State totals included bus and franchise taxes, truck and trailer plates, and international registration program.
(C) Table 15 - "1982" Statistics of Taxation
(D) Table 77 - "1982" Statistics of Taxation
(E) Table 74 - "1982" Statistics of Taxation
(F) Estimated
(G) 1964-1979 data — N.C. Tax Research Department. 1982 data — N.C. Tax Research estimates of corporate data. Carriers that are not incorporated will be excluded from this data.
(H) Estimates from N.C. Tax Research Department.
(I) 1982 and 1983 State Income Taxes from Surveillance Reports of each of the four Class A companies.

FIGURE NO. 3-6

GROSS OPERATING REVENUES OF THE MAJOR UTILITIES IN NORTH CAROLINA
N.C. DATA ONLY

For the Calendar Years 1963, 1968, 1973, 1978, 1982 & 1983



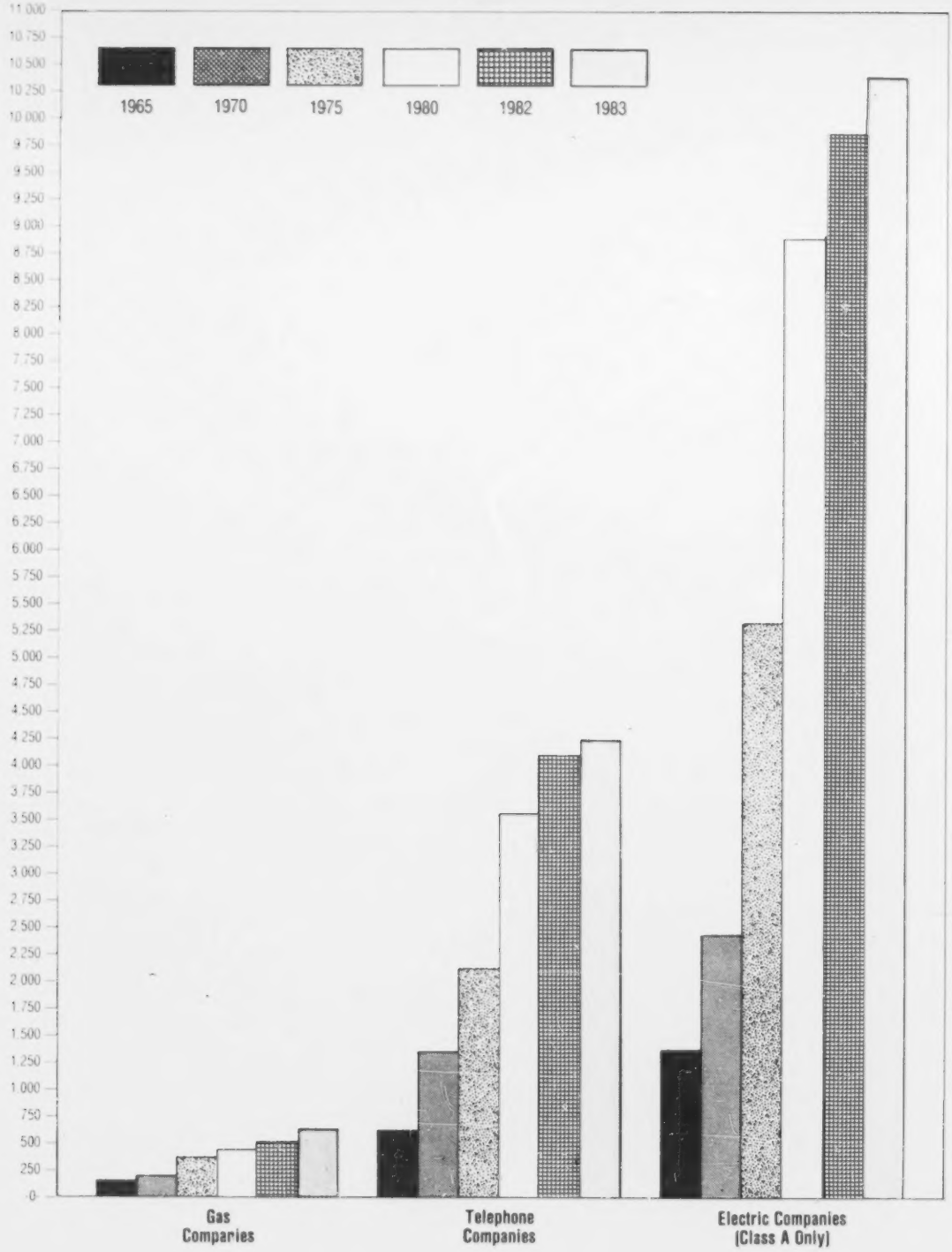
[1]For 1963—Classes I, II & III were used. For 1967 and all future years, Classes I & II were used. ICC reclassification of Carriers in 1979 reduced Class I & II Carriers sharply.
[2]For 1968-1973, 65 of the larger companies.
[3]For 1977-1978, 14 of the larger companies.
[4]For 1982, 11 of the larger companies.
[5]For 1983, 14 of the larger companies.
[6]Estimated (1982)

	Motor Passenger Carriers	Water & Sewer[2,3,4,5]	Western Union.[6]
1963	$22.9 Million	$685 Thousand	$629 Thousand
1968	27.4 Million	1.5 Million	1.0 Million
1973	30.1 Million	3.1 Million	748 Thousand
1978	26.3 Million	3.5 Million	793 Thousand
1982	42.3 Million	5.3 Million	840 Thousand
1983	37.7 Million	4.1 Million	722 Thousand

FIGURE NO. 3-7

GROSS PLANT ALLOCATED TO SERVE NORTH CAROLINA CUSTOMERS
ELECTRIC — GAS — TELEPHONE

For the Years 1965, 1970, 1975, 1980, 1982, 1983
($000s)



IV. The Electric Power Industry

FIGURE NO. 4-1

Private Power Company Service Areas

CLASS A COMPANIES

Regulated by North Carolina Utilities Commission

North Carolina Service Areas

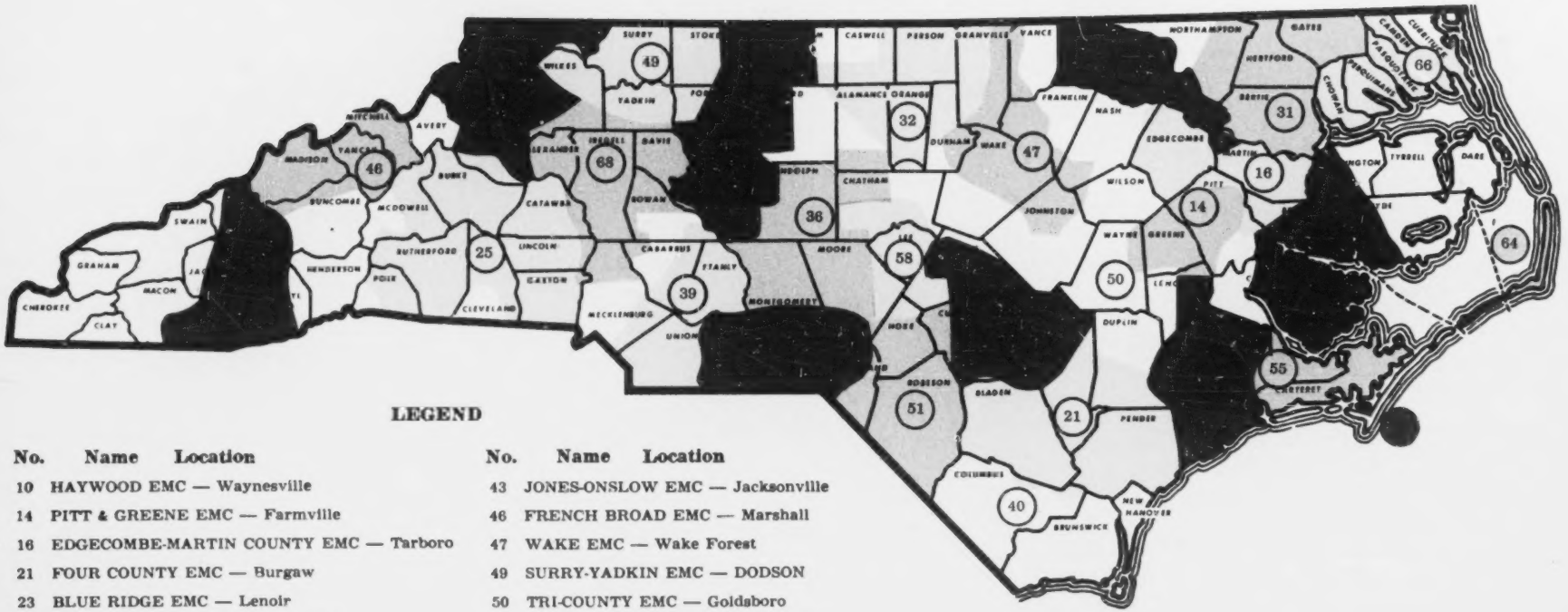
CAROLINA POWER & LIGHT CO.
DUKE POWER CO.
VIRGINIA ELECTRIC & POWER CO.

*** NANTAHALA**

*** SERVES PORTIONS OF THE FOLLOWING COUNTIES: CHEROKEE, CLAY, GRAHAM, JACKSON, MACON, SWAIN**

Service Area Boundaries as of January 1, 1983.

NORTH CAROLINA ELECTRIC MEMBERSHIP CORPORATIONS



LEGEND

No.	Name	Location
10	HAYWOOD EMC	Waynesville
14	PITT & GREENE EMC	Farmville
16	EDGECOMBE-MARTIN COUNTY EMC	Tarboro
21	FOUR COUNTY EMC	Burgaw
23	BLUE RIDGE EMC	Lenoir
25	RUTHERFORD EMC	Forest City
31	ROANOKE EMC	Rich Square
32	PIEDMONT EMC	Hillsborough
33	HALIFAX EMC	Enfield
34	PEE DEE EMC	Wadesboro
35	DAVIDSON EMC	Lexington
36	RANDOLPH EMC	Asheboro
38	HARKERS ISLAND EMC	Harkers Island
39	UNION EMC	Monroe
40	BRUNSWICK EMC	Shallotte
43	JONES-ONSLOW EMC	Jacksonville
46	FRENCH BROAD EMC	Marshall
47	WAKE EMC	Wake Forest
49	SURRY-YADKIN EMC	DODSON
50	TRI-COUNTY EMC	Goldsboro
51	LUMBEE RIVER EMC	Red Springs
52	SOUTH RIVER EMC	Dunn
55	CARTERET-CRAVEN EMC	Morehead City
58	CENTRAL EMC	Sanford
59	TIDELAND EMC	Pantego
64	CAPE HATTERAS EMC	Buxton
66	ALBEMARLE EMC	Hertford
68	CRESCENT EMC	Statesville

FIGURE NO. 4-2

Service Area Boundaries as of January 1, 1983.

NORTH CAROLINA ELECTRIC
MEMBERSHIP CORPORATION
3333 North Boulevard
Raleigh, N.C. 27604

FIGURE NO. 4-3

CAROLINA POWER & LIGHT COMPANY
RALEIGH, NORTH CAROLINA
Organized: April 6, 1926
President and Chairman of the Board: Sherwood H. Smith, Jr., — Raleigh, N.C.
Service (For North Carolina): Electric
States Served: North Carolina & South Carolina

DUKE POWER COMPANY,
CHARLOTTE, NORTH CAROLINA
Organized: May 1, 1917
Chairman of the Board and Chief Executive Officer: William S. Lee — Charlotte, N.C.
President and Chief Operating Officer: Douglas W. Booth — Charlotte, N.C.
Service (For North Carolina): Electric, Water, Bus
States Served: North Carolina & South Carolina

NANTAHALA POWER AND LIGHT COMPANY
FRANKLIN, NORTH CAROLINA
Organized: July 23, 1929
President: W.M. Jontz — Franklin, N.C.
Vice-President and Secretary: W.R. Yeiser — Franklin, N.C.
Service: (For North Carolina): Electric
State Served: North Carolina

VIRGINIA ELECTRIC AND POWER COMPANY
RICHMOND, VIRGINIA
Organized: June 29, 1909
President: William W. Berry — Richmond, Va.
Vice President—Southern Division: R.D. McIver — Williamston, N.C.
Secretary: Linwood R. Robertson — Richmond, Va.
Service (For North Carolina): Electric
States Served: North Carolina, Virginia, and West Virginia

*Electric Power Companies—Class B, C, & D—Companies with $150,000-2,500,000 annual operating revenues

	County Served
Laurel Hill Electric Company	Scotland County
New River Light & Power Company	Watauga County
**Western Carolina University	Jackson County

*Crisp Power Company—Order filed for approval for sale to Edgecombe-Martin County EMC on 10-25-82, order granting sale on 1-20-83. (E-38, Sub 7)
**No operating or statistical data for this utility is included in this report. No report required by Commission.

MUNICIPAL ELECTRIC SYSTEMS AND SOURCE OF POWER

Municipality	Source of Power
Albemarle	Duke Power Company
Apex	Carolina Power & Light Company
Ayden	Carolina Power & Light Company
Belhaven	Virginia Electric & Power Company
Benson	Carolina Power & Light Company
Black Creek	Wilson
Bostic	Duke Power Company, Southeastern Power Administration
Cherryville	Duke Power Company, Shelby
Clayton	Carolina Power & Light Company
Concord	Duke Power Company
Cornelius	Duke Power Company, Crescent Electric Membership Corp.
Dallas	Duke Power Company
Drexel	Duke Power Company, Southeastern Power Administration
Edenton	Virginia Electric & Power Company
Elizabeth City	Virginia Electric & Power Company
Enfield	Virginia Electric & Power Company, Halifax Electric Membership Corp.
Farmville	Carolina Power & Light Company
Fayetteville	Carolina Power & Light Company
Forest City	Duke Power Company
Fountain	Farmville
Fremont	Carolina Power & Light Company
Gastonia	Duke Power Company
Granite Falls	Duke Power Company
Greenville	Virginia Electric & Power Company
Hamilton	Virginia Electric & Power Company
Hertford	Virginia Electric & Power Company
High Point	Duke Power Company
Highlands	Nantahala Power & Light Company
Hobgood	Virginia Electric & Power Company
Hookerton	Carolina Power & Light Company
Huntersville	Duke Power Company
Kings Mountain	Duke Power Company
Kinston	Carolina Power & Light Company
LaGrange	Carolina Power & Light Company
Landis	Duke Power Company
Laurinburg	Carolina Power & Light Company
Lexington	Duke Power Company
Lincolnton	Duke Power Company
Louisburg	Carolina Power & Light Company, Southeastern Power Administration
Lucama	Wilson
Lumberton	Carolina Power & Light Company
Macclesfield	Wilson
Maiden	Duke Power Company
Monroe	Duke Power Company
Morganton	Duke Power Company, Southeastern Power Administration
Murphy	TVA
New Bern	Carolina Power & Light Company
Newton	Duke Power Company
Oak City	Edgecombe-Martin Electric Membership Corp.
Pikeville	Carolina Power & Light Company
Pinetops	Wilson
Pineville	Duke Power Company
Red Springs	Carolina Power & Light Company
Robersonville	Virginia Electric & Power Company
Rocky Mount	Carolina Power & Light Company
Scotland Neck	Virginia Electric & Power Company
Selma	Carolina Power & Light Company
Sharpsburg	Rocky Mount
Shelby	Duke Power Company
Smithfield	Carolina Power & Light Company
Southport	Carolina Power & Light Company
Statonsburg	Wilson
Statesville	Duke Power Company
Tarboro	Virginia Electric & Power Company
Wake Forest	Carolina Power & Light Company
Walstonburg	Wilson
Washington	Virginia Electric & Power Company
Waynesville	Carolina Power & Light Company
Wilson	Carolina Power & Light Company
Windsor	Virginia Electric & Power Company
Winterville	Greenville

Total: 71

FIGURE NO. 4-4

ELECTRIC MEMBERSHIP CORPORATIONS
AND SOURCE OF POWER

Electric Membership Corporation	Headquarters	Source of Power
Albemarle	Hertford	Vepco, SEPA*
Blue Ridge	Lenoir	Duke, SEPA
Brunswick	Shallotte	CP&L, SEPA
Cape Hatteras	Buxton	Vepco
Carteret-Craven	Morehead City	CP&L, SEPA
Central	Sanford	CP&L, SEPA
Crescent	Statesville	Duke, SEPA
Davidson	Lexington	Duke
Edgecombe-Martin County	Tarboro	Vepco, SEPA
Four County	Burgaw	CP&L, SEPA
French Broad	Marshall	CP&L
Halifax	Enfield	CP&L, Vepco, SEPA
Harkers Island	Harkers Island	CP&L
Haywood	Waynesville	CP&L, Duke, Nantahala, SEPA
Jones-Onslow	Jacksonville	CP&L, SEPA
Lumbee River	Red Springs	CP&L, SEPA
Pee Dee	Wadesboro	CP&L, Duke, SEPA
Piedmont	Hillsborough	CP&L, Duke, SEPA
Pitt & Greene	Farmville	CP&L, SEPA
Randolph	Asheboro	CP&L, SEPA
Roanoke	Rich Square	CP&L, SEPA
Rutherford	Forest City	Duke, SEPA
South River	Dunn	CP&L, SEPA
Surry-Yadkin	Dobson	Duke
Tideland	Pantego	CP&L, Vepco, SEPA
Tri-County	Goldsboro	CP&L, SEPA
Union	Monroe	Duke, SEPA
Wake	Wake Forest	CP&L, Duke, SEPA

*Southeastern Power Administration

FOREIGN EMCs

Electric Membership Corporation	Headquarters	Source of Power
Blue Ridge Mountain EMC	Young Harris, Ga.	TVA
Broad River Electric Cooperative, Inc.	Gaffney, S.C.	Saluda Electric Corporation[1]
Mecklenburg Electric Cooperative, Inc.	Chase City, Va	SEPA - Southeastern Power Agency Old Dominion Electric Cooperative
Tri-State EMC	McCaysville, Ga.	TVA
Mountain Electric Cooperative, Inc.	Mountain City, Tenn.	TVA

[1]Until fall of 1983, power supplied by Duke Power Company and Southeastern Power Agency.

A. GENERAL COMMENTS

There were four Class A electric utilities operating in North Carolina under the regulation of the North Carolina Utilities Commission at December 31, 1983. To qualify as a Class A company, there must be at least $2,500,000 annual gross operating revenues. There are three small electric utilities also in operation in North Carolina: Laurel Hill Electric Company, a privately owned company located in Scotland County which served 665 customers in 1983; New River Light and Power Company, a subsidiary of Appalachian State University (ASU) located in Boone, North Carolina, which served 4,967 customers in 1983 with ASU being its largest single customer; and Western Carolina University located in Jackson County, North Carolina, which is not required to file an annual report with the North Carolina Utilities Commission. The four major electric companies provide service directly to retail consumers, and they are suppliers of electric energy on a wholesale basis to the twenty-eight electric membership corporations (EMCs) operating in North Carolina. There are five EMCs with operations in North Carolina whose headquarters are in other states. The Class A companies also supply electric energy to the seventy-one municipalities operating electric distribution systems throughout the state. The North Carolina Utilities Commission does not regulate the retail rates and service of the EMCs or the municipalities operating in North Carolina.

The four major electric utilities are investor-owned companies, three of which have large service areas in adjacent states. Duke Power Company (Duke) serves the west-central portion of North Carolina and an adjoining area in South Carolina. North Carolina retail customers account for approximately 57.3% of Duke's total sales. Carolina Power and Light (CP&L) serves areas in the east-central, south-central, and western parts of North Carolina as well as an adjacent area in the eastern part of South Carolina. The retail customers in North Carolina account for 68.6% of CP&L's total sales. Virginia Electric and Power Company (Vepco) serves the northeastern corner of North Carolina and most of Virginia. Only 4.3% of Vepco's total sales are to North Carolina retail customers. Nantahala Power and Light Company (Nantahala) serves the far western portion of North Carolina and is the only Class A company operating solely within North Carolina. Although it qualifies as a Class A utility, its service area and number of customers are small compared to the other three Class A companies. Aluminum Company of America (Alcoa) owns all of the capital stock of Nantahala. Portions of Nantahala's electric generation were formerly utilized by Alcoa for the smelting of aluminum. Nantahala, in conjunction with Tapoco, Inc. (another small electric generating company), sells virtually all of its electric generation to the Tennessee Valley Authority (TVA). TVA, in turn, returns entitlements of electricity back to Nantahala and Tapoco. Nantahala and Tapoco further apportion the entitled power between themselves; Nantahala for its North Carolina customers and Tapoco for its only customer, Alcoa, located in Tennessee.

B. CUSTOMER GROWTH—COMMENTS

In 1983 the four major electric utilities experienced a customer growth rate of 2.5% for their North Carolina operations. The net customer increase was 43,192 bringing the total average number of customers to 1,779,104 at December 31, 1983.

The smaller electric utilities experienced a 6.3% increase in their number of customers. Total customers increased from 5,431 to 5,771 during 1983. An average of 1,784,875 North Carolina customers were served by all the regulated electric utilities during 1983. See Figure No. 4-7.

C. ANNUAL CUSTOMER USAGE

The annual customer usage of kilowatt-hours per residential customer in 1983 was 11,873 kWh. This is a 1.9% increase from 1982. The 1983 figure is 43.4% higher than the national average of 8,277 kWh per residential customer. A study of residential electric customers for North Carolina cities with a population of 50,000 or more for the period 1960-1983 reveals that these customers used a far greater number of kilowatt hours annually per customer than customers in cities of similar size throughout the United States. North Carolina's per customer residential consumption exceeds the national average for the same period. Figure No. 4-5 is a table reflecting the results of this usage study.

The average monthly use of electricity (989 kWh) in 1983 by North Carolina residential customers of Class A companies is one of the highest in the nation. These customers constitute about 86.1% of the total electric utility customers in the state. There is a direct correlation between the greater residential usage in North Carolina and the average charge per kilowatt-hour. Generally the lower the cost per kWh the greater the usage.

D. RATE INCREASES APPROVED

The average charge per kilowatt-hour for North Carolina residential service increased 5.0% in 1983 from the preceding year. Figure No. 4-8 shows the average price of one kWh for the years 1960, 1965, 1970, 1975, 1980, 1982, and 1983. The 1983 figure of 6.11¢ reflects the general rate increases approved by the Commission as indicated in Figure No. 4-6.

E. COMPARISONS OF AVERAGE RESIDENTIAL MONTHLY BILLS

In Figure No. 4-9 a typical residential electric bill as of January 1, 1983, from North Carolina is compared to nine selected states from across the country. These states include Alabama, California, Florida, Indiana, Maine, Michigan, Ohio, South Carolina, and Virginia. North Carolina is the second lowest at the 500 kWh and 750 kWh consumption levels, and third lowest at the 1,000 kWh consumption level.

In a comparison with the United States average, North Carolina monthly bills for 1983 continue to be lower. Data shown in Figure No. 4-9 indicates that states in all regions of the United States have experienced increasing electric bills. The North Carolina electric utilities have companywide rates for the respective residential, commercial, and industrial classes of customers. When company, usage, and load characteristics are the same, the residential customer's bill will not vary between the small and large communities.

F. GENERATING CAPACITY—TOTAL AND WITHIN NORTH CAROLINA—NUCLEAR POWER IMPACT

Total owned and purchased generating capacity of the Class A electric companies serving North Carolina for 1983 was 34,562,000 kilowatts. Generating capacity located within the boundaries of North Carolina accounted for 52.3% of total kilowatt capacity owned and purchased during 1983. See Figure No. 4-10.

Electric utilities are building for an increasingly larger percentage of their total generating capacity to come from nuclear power. The first

nuclear fueled electric generating station in North Carolina was CP&L's Brunswick Nuclear Plant located in Southport. It began commercial operation in 1975. A second unit has been added to the Brunswick Station as well as the operation of the Shearon Harris Unit 1 in New Hill and the Robinson Unit 2 in Hartsville, South Carolina. In December 1983 the Board of Directors of CP&L approved the cancellation of the Harris Unit 2. The project was about 4% complete and no major expenditures had been made during 1983. There were several reasons for the cancellation. In addition to a reduced rate of growth in demand for electricity, a primary reason was the substantial increase in costs due to continually changing and expanded federal regulatory requirements.

The Duke Power Company Board of Directors cancelled Unit 1 of the Cherokee Nuclear Station located in Cherokee County in South Carolina on April 29, 1983, after revised load forecasts indicated additional baseload capacity would not be needed until 1995. Completion in that time frame would have raised the cost of the unit to more than $6 billion. Cherokee Units 2 and 3 were cancelled by the Board in November 1982 because of reduced growth forecasts.

Duke Power received a full-power operating license for Unit 2 of the McGuire Nuclear Station located on Cowans Ford Dam at Lake Norman in May 1983. The 1,180,000 kilowatt unit underwent extensive testing during the remainder of the year and generated 2.5 billion kilowatt-hours of electricity. It is scheduled for commercial operation in early 1984.

Work on Unit 1 of the Catawba Nuclear Station in York County in South Carolina neared completion at year end. Fuel is expected to be loaded in the spring of 1984, with commercial operation scheduled for 1985. Catawba Unit 2 is 65% complete and slated for commercial operation in 1987.

Vepco's four nuclear units had an average capacity factor of 65% which is better than the national average for the last few years. The capacity factor [actual generation vs. theoretical (i.e. generation 100% of the time)] for North Anna Unit 1 located in Mineral, Virginia, was 70% and 74% for Unit 2. Surry Unit 1 located in Gravel Neck, Virginia, had a 52% capacity factor and Unit 2 achieved 60%. North Anna Unit 2 set a new Vepco record by operating for 144 days straight. These four units also set a Vepco record for generation in 1983, supplying more than 18.7 billion kilowatt-hours of electric power. Vepco, which began commercial nuclear operations in 1972, is now the nation's second largest investor-owned supplier of nuclear-generated electricity.

After years of negotiations, the sale of a portion of North Anna Nuclear Power Station to Old Dominion Electric Cooperative was closed at the end of 1983. In return for an 11.6% ownership interest in North Anna, Old Dominion agreed to pay Vepco $250 million. Vepco received $197 million at closing, with the rest to be paid over the next 13 years.

During 1983 nuclear generation accounted for the following percentages of total kWhs generated for each of the companies regulated by the Commission: CP&L—28.0%, Duke—28.2%, and Vepco—33.2%.

Cogeneration

In 1978 the Federal Public Utility Regulatory Policies Act (PURPA) challenged the Federal Energy Regulatory Commission and the State regulatory authorities to encourage the development of cogeneration and small power production. Cogeneration facilities simultaneously produce two forms of useful energy such as electric power and steam. Cogeneration facilities use significantly less fuel to produce electricity and steam (or other forms of energy) than would be needed to produce the two separately. Thus by using fuels more efficiently, cogeneration facilities can make a significant contribution to the nation's effort to conserve its energy resources. CP&L, Duke, and Vepco, in cooperation with the N. C. Alternative Energy Corporation (AEC), are working with customers who may be able to generate some of their own needs for electrical power, thus lowering peak loads. Small power production facilities use biomass, waste, or renewable resources, including wind, solar, and water, to produce electric power. Reliance on these resources for energy can reduce the need to consume traditional fossil fuels to generate electric power.

The Commission's order, (E-100, Subs 41 and 41-A), dated June 3, 1980, enumerated as part of its responsibilities the determination of the rates, charges, and conditions for the sale of electric energy and electric capacity between electric utilities and qualifying cogenerators or small power producers in North Carolina. In addition the Commission will determine the relative responsibilities of utilities and qualifying facilities with respect to system protection, service reliability, and other matters affecting such service.

Major participants in the cogeneration program will come from the textile, paper, and chemical industries. Through efficient generation of their own electricity, a greater profitability and aid in the reduction of overall production costs will be stimulated. The two largest power companies have access to a potential of 258,320 kW of electricity through the promotion of cogeneration since the Public Utility Regulatory Policies Act of 1978. These cogeneration facilities will have the capacity to provide the electrical needs of approximately 29,468 residential homes. Vepco has no customer-owned hydroelectric facilities operational in its North Carolina service area, but it is purchasing power from two facilities in its Virginia service area.

G. SOURCE AND DISPOSITION OF THE ELECTRIC OPERATING REVENUE DOLLAR

Both the source and disposition of the 1983 electric operating revenue dollar are shown by

the pie charts on Figure No. 4-12. Fuel costs, the largest component of the operation and maintenance expenses, consumed the larger portion of the operating revenue dollar. In 1983 fuel costs required 29 cents while the remaining operation and maintenance costs required only 24 cents. Shown in Figure No. 4-11 is comparative data reflecting the components percentagewise for both the source and disposition of the electric operating revenue dollar for 1983. Fuel costs as a percent of total operation and maintenance expenses (excludes depreciation and taxes) have been declining since 1974, primarily because of the decrease in coal costs and the increasing use of nuclear fuel. The chart in Figure No. 4-13 shows this relationship for the period 1978-1983.

H. ENERGY SALES

Energy sales for the past decade have been rising. Class A companies' total energy sales in North Carolina increased in 1983 over 1982 by 3.1% with 66 billion kilowatt hours sold. The recent recessionary economic conditions coupled with the customers' conservation efforts explain the downward direction of energy sales in 1982 compared to the previous years. Figure No. 4-14 shows energy sales by class of customer for the years 1960, 1965, 1970, 1975, 1980, 1982, and 1983.

I. STATISTICAL SUMMARY DATA

As shown in Figure No. 4-15 the total operating revenues for North Carolina operations of the Class A electric utilities increased 7.7% for 1983 as compared to 1982.

North Carolina operating expenses for the Class A companies increased 7.4% in 1983 over 1982, and the net operating income for 1983 increased 9.1% from the previous year.

Total company net income available from the common shareholders of the Class A companies was $828,837,000 for 1983 vs. $741,414,000 for 1982. The number of common shares outstanding at year end increased from 274,340 million in 1982 to 285,906 million in 1983. This resulted in an increase in earnings per share (year-end shares outstanding) from $2.70 in 1982 to $2.90 in 1983.

Total salaries and wages paid North Carolina employees by Class A companies for 1983 was $540,935,000, an increase of 10.2% over 1982. In 1983 the number of employees residing in North Carolina was 20,765 compared with 20,484 in 1982, an increase of 1.4%.

FIGURE NO. 4-5

Average Annual Residential Customer KWH Usage
1960, 1965, 1970, 1975, 1980, 1982, 1983
(Class A & B privately owned utilities only)

	1960	1965	1970	1975	1980	1982	1983
N.C.-Statewide Average	5,204	6,697	9,695	11,002	12,272	11,652	11,873
N.C. (Charlotte & Raleigh)[1]	6,039	7,272	11,037	11,771	13,201	12,560	12,601
S.C.-(Columbia & Charleston)[2]	5,271	6,121	9,613	9,683	12,755	15,260	12,172
U.S. Average[3]	3,464	4,618	6,700	7,829	8,481	8,531	8,277
N.C. (Charlotte & Raleigh) higher than S.C. (Columbia & Charleston)	14.6%	18.8%	14.8%	21.6%	3.5%	(21.5)	3.5%
Higher than U.S. Average	74.3%	57.5%	64.7%	50.4%	55.7%	47.2%	52.2%

[1]Charlotte - served by Duke Power Co.
Raleigh - served by CP & L (average of the two used)
[2]Columbia & Charleston served by S.C. Electric & Gas Co. (average of the two used)
[3]U.S. Average - Statistics of Privately owned Electric Utilities in U.S. (1983 report)

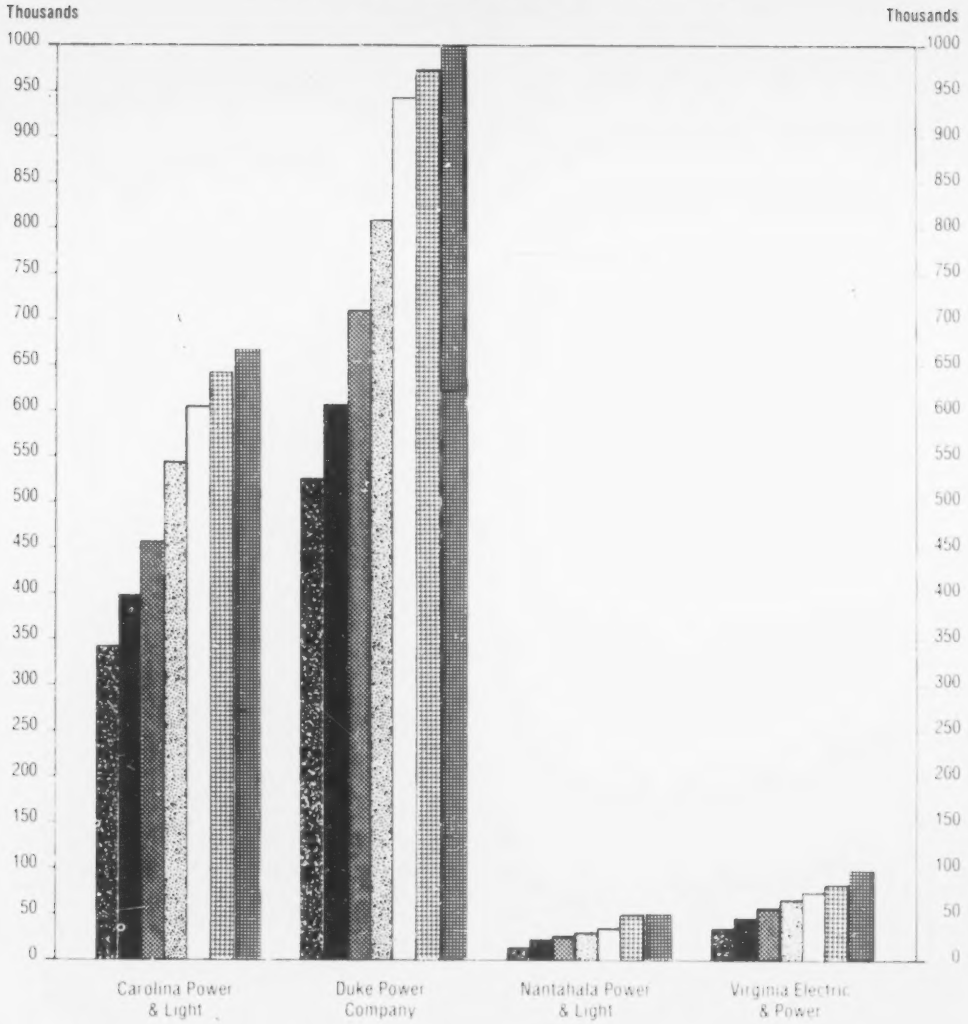
FIGURE NO. 4-6

General Rate Increases Approved for Electric Companies
For the Year 1983

Company	Date Filed	Docket Number	Amount Requested (000's)	Amount Approved (000's)	% Approved of Amount Requested	Date of Final Order
Carolina Power & Light Company	2-11-83	E-2, Sub 461	$ 164,913	$ 91,211	55.3%	9-19-83
Duke Power Company	2-1-83	E-7, Sub 358	112,884	76,235	67.5	9-30-83
Nantahala Power & Light Company	2-1-83	E-13, Sub 44	1,443	1,336	92.6	11-29-83
Virginia Electric & Power Company	2-7-83	E-22, Sub 273	18,727	18,032	96.3	12-5-83
Western Carolina University	4-7-83	E-35, Sub 12	105	105	100.0	8-25-83
Total			$ 298,072	$ 186,919	62.7%	

FIGURE NO. 4-7

ELECTRIC COMPANIES—CUSTOMER GROWTH
(North Carolina Data Only)
For the Years 1960, 1965, 1970, 1975, 1980, 1982, 1983



Customer Growth—Class A Companies Combined
(Totals in Thousands—Yearly Average)

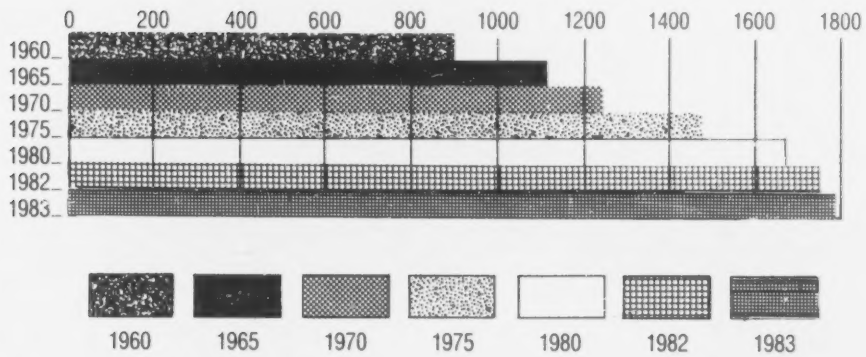
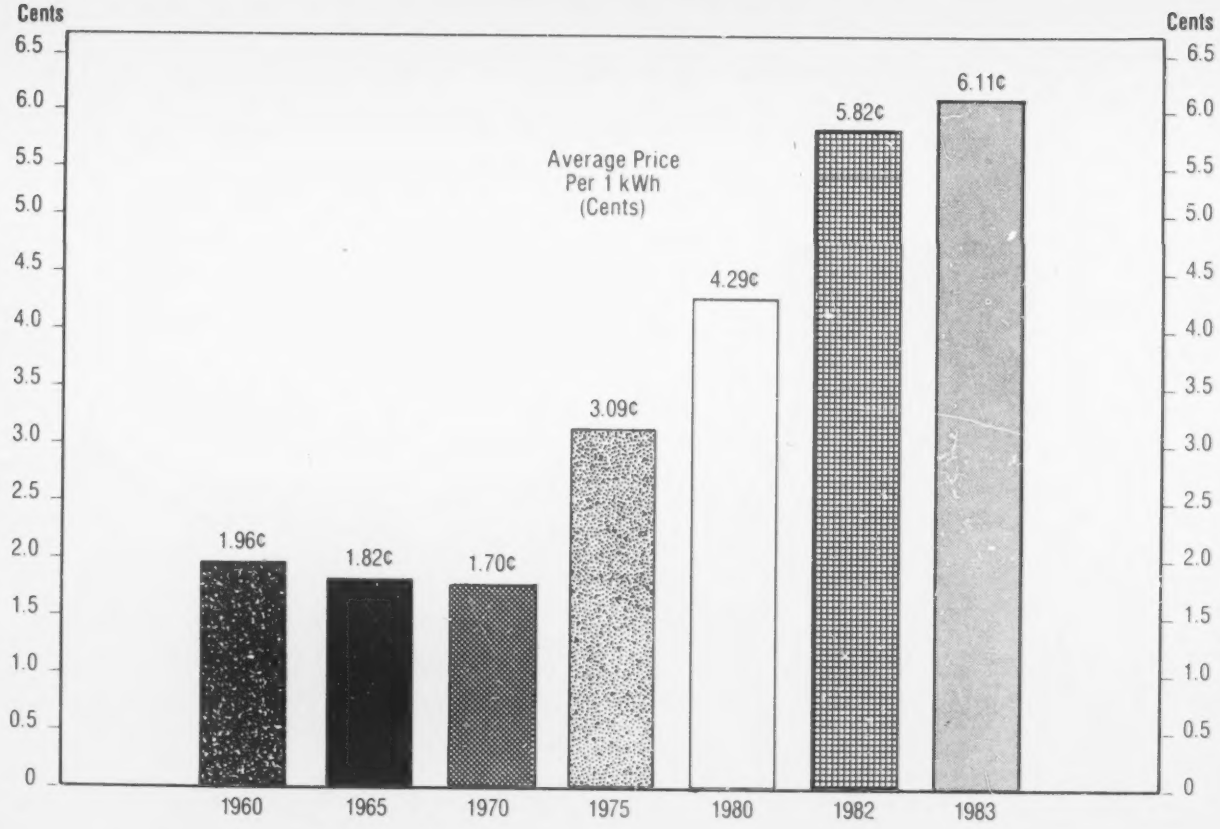


FIGURE NO. 4-8

RESIDENTIAL ELECTRIC SERVICE—CLASS A COMPANIES
Average Annual Usage Per Customer and Average Price of 1 kWh
(North Carolina Data Only)



	1960	1965	1970	1975	1980	1982	1983
Average kWh Usage Per Customer	5,204	6,697	9,695	11,002	12,272	11,652	11,873

Average Price of 1 kWh in Cents by Company

CP&L	1.64¢	3.18¢	4.36¢	6.28¢	6.48¢
Duke	1.73¢	3.01¢	4.13¢	5.49¢	5.83¢
Nantahala	1.66¢	2.29¢	3.68¢	4.98¢	4.47¢
Vepco	1.91¢	3.80¢	6.33¢	6.74¢	7.61¢

FIGURE NO. 4-9

COMPARATIVE TYPICAL RESIDENTIAL ELECTRIC BILLS—
NINE SELECTED STATES, NORTH CAROLINA, AND U.S. AVERAGE

STATE AVERAGE MONTHLY BILLS—RESIDENTIAL SERVICE
(Cities of 2,500 Population and Over) Data as of January 1 of each year listed

	500 kWh Assumed Consumption						750 kWh Assumed Consumption						1000 kWh Assumed Consumption					
State	1965	1970	1975	1980	1982	1983	1965	1970	1975	1980	1982	1983	1965	1970	1975	1980	1982	1983
North Carolina	$ 9.53	$ 9.40	$ 16.21	$ 24.05	$ 31.50	$ 33.52	$ 12.92	$ 12.75	$ 22.53	$ 32.63	$ 43.98	$ 47.22	$ N/A	$ 16.24	$ 29.20	$ 41.83	$ 56.61	$ 60.95
Alabama	8.25	9.33	16.62	23.63	28.50	33.97	10.87	12.12	22.05	33.99	41.22	48.22	N/A	14.91	27.45	44.34	53.92	60.25
California	9.39	10.05	17.25	22.79	39.31	36.65	12.43	13.20	23.64	34.24	54.20	52.37	N/A	16.35	29.91	47.65	74.20	72.82
Florida	11.78	11.26	18.53	25.53	36.38	36.43	15.90	15.24	25.88	36.68	52.15	51.66	N/A	19.10	33.17	48.37	69.21	69.08
Indiana	10.36	10.32	13.37	26.68	31.29	34.96	14.09	13.98	18.31	35.22	42.66	47.35	N/A	18.01	23.59	44.83	54.35	60.08
Maine	12.23	11.85	18.05	26.05	33.70	34.95	16.53	15.98	25.00	35.98	49.75	52.37	N/A	21.34	33.32	45.91	65.80	69.81
Michigan	8.12	7.77	14.57	25.65	27.93	31.23	13.72	12.32	21.74	33.74	38.43	43.44	N/A	17.31	29.63	45.85	56.18	62.78
Ohio	10.63	10.44	17.23	28.26	34.99	39.52	14.94	14.07	24.15	39.84	50.13	57.02	N/A	18.14	31.15	51.11	63.21	71.90
South Carolina	10.04	10.01	18.53	25.40	32.71	35.00	13.39	13.33	25.18	34.77	45.19	48.54	N/A	16.69	31.87	44.38	57.49	61.99
Virginia	10.11	10.08	20.91	33.10	35.14	36.71	13.61	13.57	28.18	46.31	49.96	52.32	N/A	17.03	35.11	58.92	62.26	65.43
United States	10.41	10.51	17.93	27.50	37.26	38.35	14.34	14.22	24.72	36.93	50.40	52.74	N/A	18.31	32.29	48.76	66.84	69.96
North Carolina Rank— (Low to High-9 states listed)	4th lowest	3rd lowest	3rd lowest	3rd lowest	4th lowest	2nd lowest	3rd lowest	3rd lowest	4th lowest	1st lowest	3rd lowest	2nd lowest		2nd lowest	3rd lowest	1st lowest	4th lowest	3rd lowest
North Carolina Rank (Low to High-50 states & DC)	15th lowest	15th lowest	28th lowest	21st lowest	26th lowest	22nd lowest	12th lowest	12th lowest	30th lowest	18th lowest	25th lowest	24th lowest		12th lowest	30th lowest	17th lowest	25th lowest	25th lowest
N.C. average lower than U.S. average — Percent	8.5%	10.5%	9.6%	12.5%	15.4%	12.6%	9.9%	10.3%	8.9%	11.6%	18.7%	10.5%		11.3%	9.5%	14.2%	15.3%	12.8%

Source: "Typical Electric Bills" for applicable years — U.S. Dept. of Energy.

FIGURE NO. 4-10

ELECTRIC GENERATING CAPACITY OWNED AND PURCHASED WITH GENERATING CAPACITY LOCATED IN NORTH CAROLINA SHOWN
(Unit of Measurement—Kilowatt—000s—)
FOR THE YEARS 1960, 1965, 1970, 1975, 1980, 1982, 1983

Generating Capacity Owned—Maximum Name Plate Rating Used

Class A Companies	Steam — Coal Fired 1960	1965	1970	1975	1980	1982	1983	1983% of Total Owned Purchased	Steam-Nuclear Fired 1982	1983	1983% of Total Owned & Purchased
CP & L	1.048	1.627	2.695	5.729	4.632	4.632	5.609	56.6	2.709	2.709	27.3
Duke Power	2.829	3.454	5.366	10.675	7.567	7.573	7.573	56.2	3.887	3.887	28.8
Nantahala	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Vepco	2.045	3.363	4.628	8.376	6.682	6.550	6.549	59.4	3.654	3.655	33.1
Totals	5.922	8.444	12.689	24.780	18.881	18.755	19.731	57.0	10.250	10.251	29.7
% Increase (Decrease)		42.6	50.3	95.3	(23.8)	(.7)	5.2			1.0	
Generated in N.C.	N/A	4.500	7.752	12.479	11.855	11.850	11.850	64.7	2.954	2.953	16.1
Percent of total	N/A	53.3	61.1	50.4	62.8	63.2	60.1		28.8	28.8	

	Hydro Electric 1960	1965	1970	1975	1980	1982	1983	1983 % of Total Owned & Purchased
CP & L	227	220	220	220	220	220	220	2.2
Duke Power	498	768	868	1.008	1.007	1.007	1.007	7.4
Nantahala	99	94	99	99	99	99	76	50.7
Vepco	136	306	278	288	286	285	286	2.6
Totals	960	1.388	1.465	1.615	1.612	1.611	1.589	4.6
% increased (Decrease)		44.6	5.5	10.2	(.2)	(.06)	(1.4)	
Generated in N.C.	N/A	1.030	1.114	1.147	1.144	1.143	1.095	6.0
Percent of total	N/A	74.2	76.0	71.0	71.0	70.9	69.0	

	Gas Turbine 1970	1975	1980	1982	1983	1983 % of Total Owned & Purchased	Generating Capacity Purchased* 1960	1965	1970	1975	1980	1982	1983
CP & L	308	1.295	1.295	1.294	1.294	13.0	310	229	629	240	138	86	86
Duke Power	229	388	599	656	656	4.9	-0-	308	108	253	309	118	350
Nantahala	N/A	N/A	N/A	N/A	N/A	-0-	-0-	-0-	-0-	50	72	88	74
Vepco	350	563	531	531	531	4.8	109	N/A	N/A	N/A	N/A	N/A	N/A
Totals	887	2.246	2.425	2.481	2.481	7.2	419	537	737	543	519	292	510
% Increase (Decrease)		153.2	8.0	2.3	-0-			28.2	37.2	(26.3)	(4.4)	(43.7)	74.7
Generated in N.C.	391	688	894	933	1.163	6.4	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent of total	44.0	30.6	36.9	37.7	46.9		N/A	N/A	N/A	N/A	N/A	N/A	N/A

	Total Owned and Purchased ** 1960	1965	1970	1975	1980	1982	1983
CP & L	1.584	2.076	3.852	7.484	8.994	8.942	9.918
Duke Power	3.327	4.592	6.572	12.323	12.082	13.241	13.473
Nantahala	99	94	99	150	171	187	150
Vepco	2.290	3.720	5.255	9.227	11.153	11.020	11.021
Totals	7.300	10.482	15.778	29.184	32.400	33.390	34.562
% Increase (Decrease)		43.6	50.5	85.0	11.0	3.1	3.5
Generated in N.C.	N/A	5.530	9.257	14.314	15.626	16.882	18.308
Percent of total	N/A	52.8	58.7	49.0	48.2	50.6	52.3

*Based on maximum demand
**1970-78 figures for Total & Purchased include amounts for Gas Turbines
N/A-Not Available

FIGURE NO. 4-11

SOURCE AND DISPOSITION OF THE OPERATING REVENUE DOLLAR
ELECTRIC COMPANIES

North Carolina Class A Operations Only

	1983	
	Revenue	% of Total
Source:		
Residential	$ 1,111,129	33.5%
Commercial	704,144	21.2
Industrial	901,211	27.1
Sales for Resale	524,199	15.8
Other	78,699	2.4
Total	$ 3,319,382	100.0%
Disposition:		
Fuel Cost	$ 971,944	29.3%
Other Operating & Maint. Costs	803,615	24.2
Depreciation	290,653	8.8
General Taxes	264,130	8.0
Income Taxes	400,148	12.0
Interest	253,901	7.7
Preferred Dividends	51,598	1.5
Common Stock Earnings	283,393	8.5
Total	$ 3,319,382	100.0%

FIGURE NO. 4-12

SOURCE AND DISPOSITION OF THE OPERATING REVENUE DOLLAR
ELECTRIC COMPANIES
NORTH CAROLINA CLASS A OPERATIONS ONLY
(Dollars in 000s) December 31, 1983

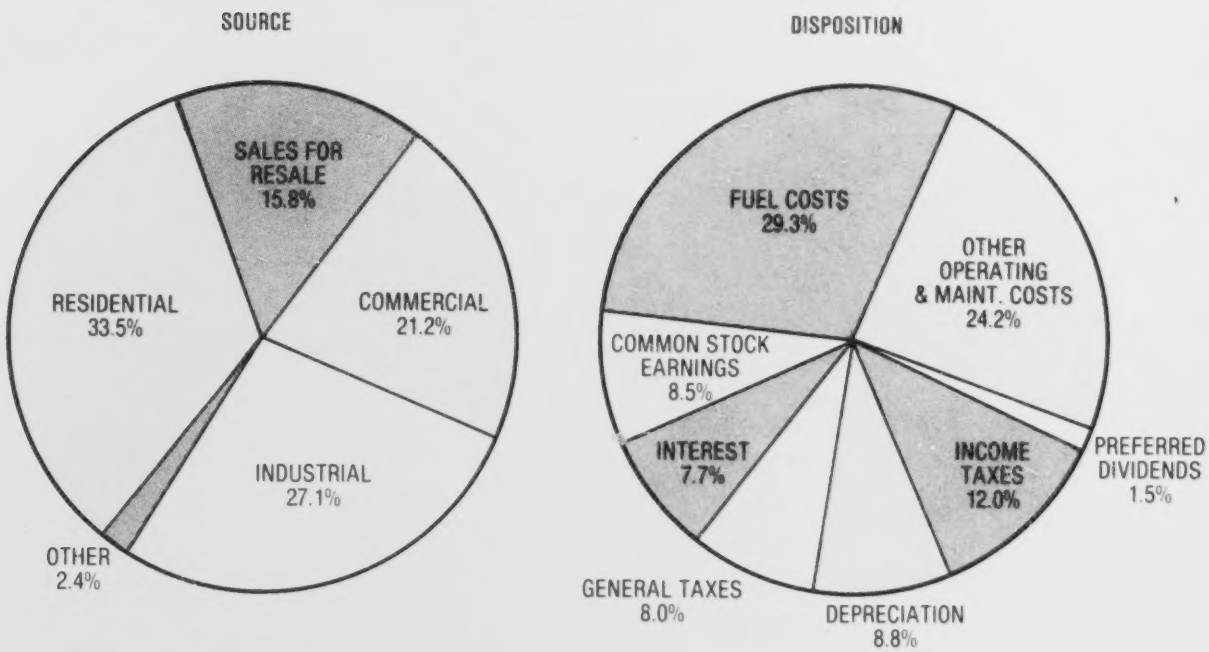


FIGURE NO. 4-13

FUEL COSTS

	1978	1979	1980	1981	1982	1983
Fuel Costs	$ 670,738	$ 724,540	$ 866,928	$ 989,366	$ 977,907	$ 971,944
Other Operating & Maintenance Expenses	$ 340,448	$ 389,710	$ 507,574	$ 630,366	$ 787,301	$ 803,615
Total Operating & Maintenance Expenses	$1,011,186	$1,114,250	$1,374,502	$1,619,732	$1,765,208	$1,775,559
Fuel Costs as a % of Total Operating & Maintenance Expenses	66.3%	65.0%	63.1%	61.1%	55.4%	54.7%

FIGURE NO. 4-14

ELECTRIC COMPANIES — CLASS A

Energy Sales by Class of Customers
(North Carolina Data Only — Kilowatt-Hours in Billions)
For the Years 1960, 1965, 1970, 1975, 1980, 1982, 1983

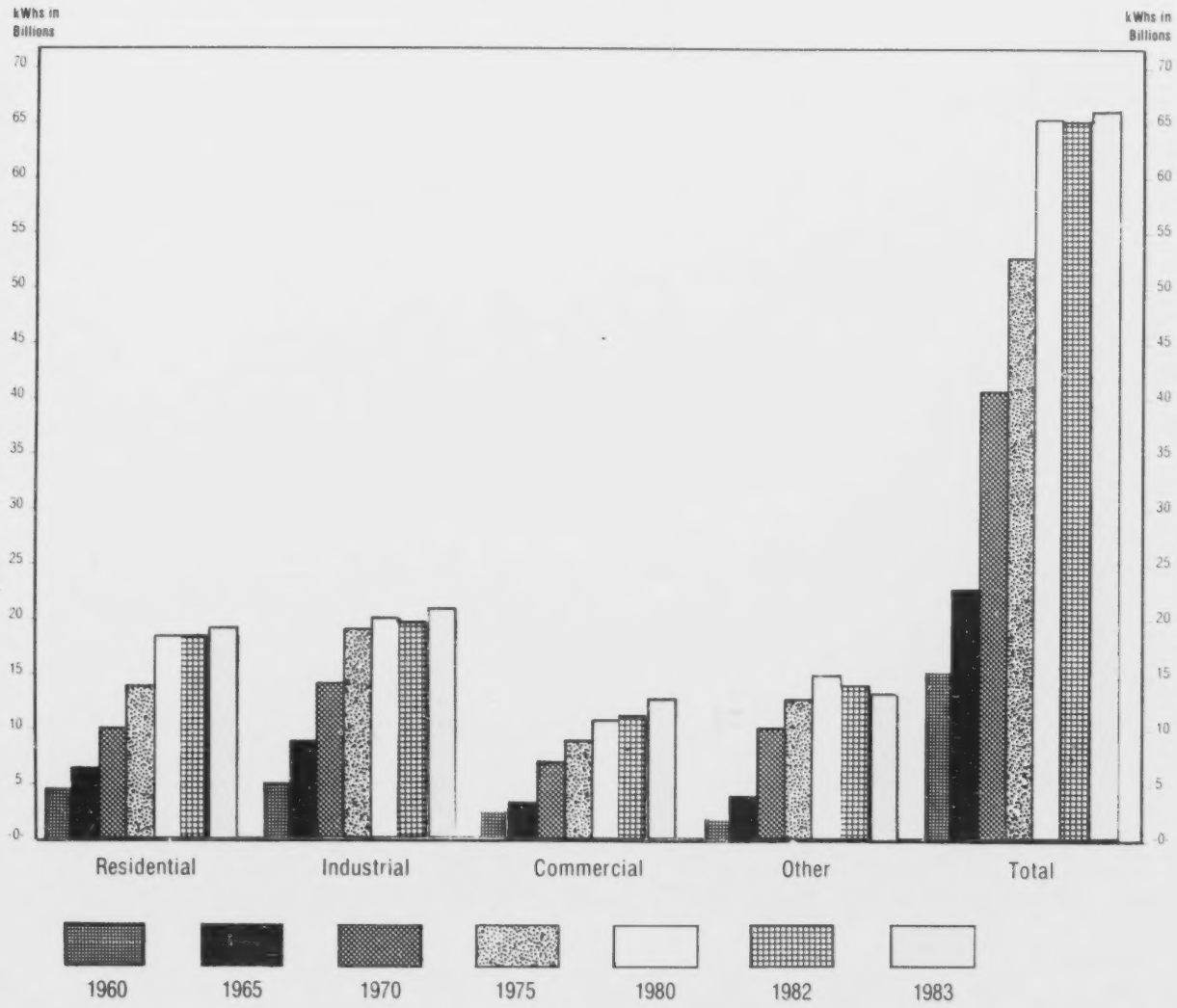


FIGURE NO. 4-15

ELECTRIC COMPANIES—NORTH CAROLINA DATA ONLY

Class A Income Statement, Balance Sheet and Other Statistical Items
1960, 1965, 1970, 1975, 1980, 1982, 1983
(Dollars in 000's)

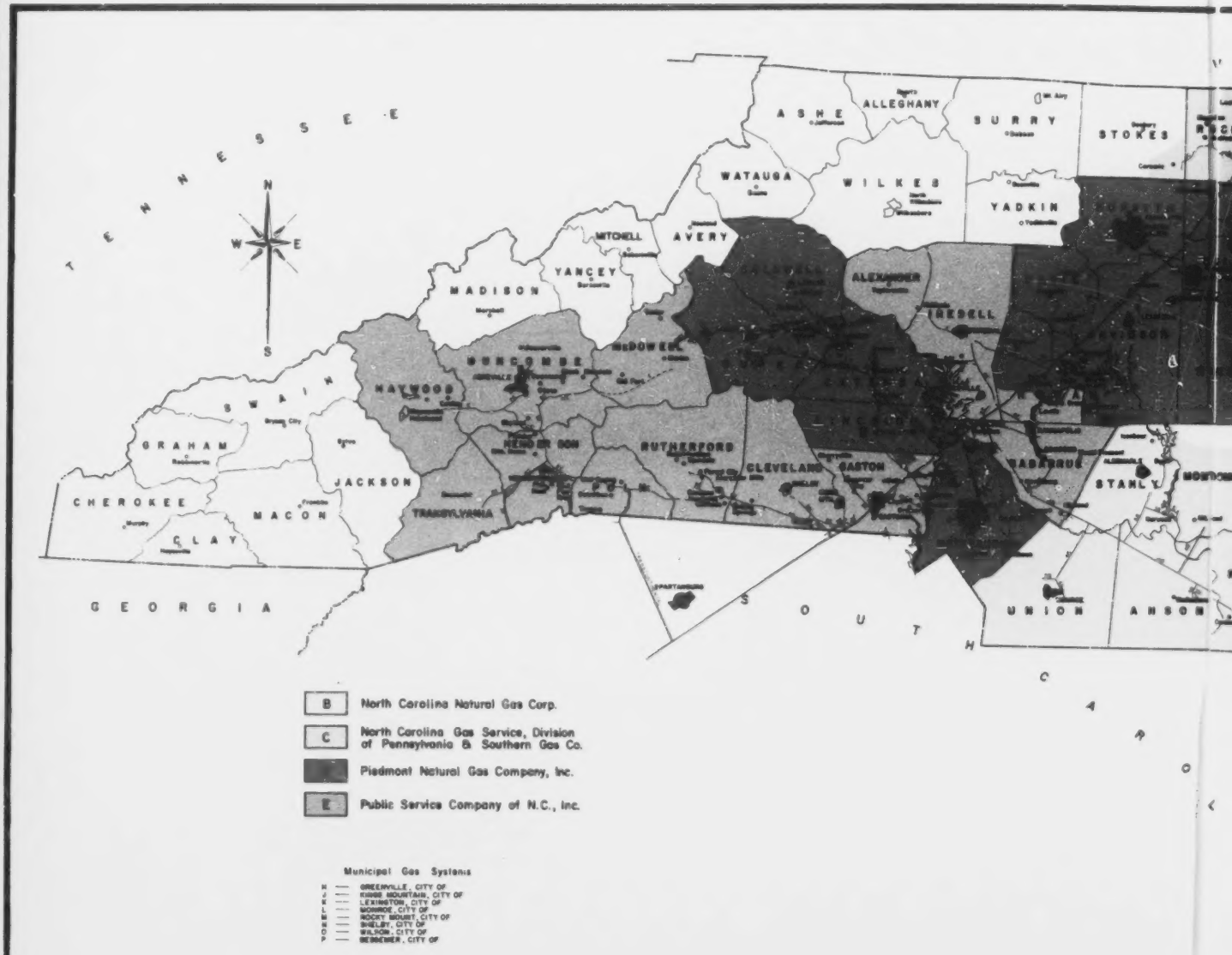
Item	1960	1965	1970	1975	1980	1982	1983	% Change More (Less) 1982-83
No. of Companies Regulated and Included in this Data	4	4	4	4	4	4	4	
Income Items (N.C. Only):								
Residential Sales	$ 83.380	$ 112.279	$ 176.631	$ 425.940	$ 754.138	$ 1.013.958	$ 1.111.129	6.5
Commercial Sales	37.704	57.601	95.310	255.494	441.909	653.251	704.144	7.8
Industrial Sales	48.897	71.737	118.277	343.589	583.685	813.573	901.211	10.8
Sales for Resale	20.792	31.332	63.760	216.148	432.751	531.645	524.199	(1.4)
All Other Operating Revenue	6.867	12.409	16.379	26.465	53.387	69.445	78.699	13.3
Total Operating Revenue	$ 197.640	$ 285.358	$ 470.357	$ 1.267.636	$ 2.265.870	$ 3.081.872	$ 3.319.382	7.7
Expense Items:								
Power Production Expense	$ 82.502	$ 119.869	$ 271.149	$ 688.699	$ 1.374.502	$ 1.413.509	$ 1.403.114	(.74)
Transmission Expense						28.572	31.365	9.8
Distribution Expense						93.594	101.421	8.4
Customer Accounts Expense						45.932	50.496	9.9
Customer Service & Informational Expense						14.483	19.596	35.3
Sales Expense						585	668	14.2
Administrative & General Expense						163.856	168.897	3.1
Depreciation Expense	22.973	32.310	54.666	118.286	181.696	255.420	290.654	13.8
Total Expenses Before Taxes	$ 105.475	$ 152.179	$ 325.815	$ 806.985	$ 1.556.198	$ 2.015.951	$ 2.066.211	2.5
State Taxes:								
Income Tax	$ 3.052	$ 4.997	$ 2.194	$ 6.281	$ 15.179	$ 31.049	$ 1.185	(96.2)
Gross Receipts Tax	11.592	16.589	26.912	75.007	135.011	179.204	194.208	8.4
Property Tax	5.741	8.495	13.460	24.629	35.740	38.479	42.617	10.7
Other Operating Tax	28.148	38.732	17.442	114.083	169.536	8.559	9.457	10.5
Total State Taxes	48.533	68.813	60.008	220.000	355.466	257.291	247.467	(3.8)
Federal Taxes:								
Income Tax						$ 52.670	$ 17.980	(65.9)
Provision for Deferred Income Taxes						143.805	514.002	257.4
Income Tax Deferred in Prior Years						(93.617)	(116.895)	24.9
Investment Tax Credit						149.953	(16.094)	—
Payroll, Unemployment, & Other Federal Taxes						16.129	17.847	10.6
Gain from Disposal of Utility Plant						(42)	(29)	31.0
Total Federal Taxes						$ 268.898	$ 416.811	55.0
Total State & Federal Taxes						$ 526.189	$ 664.278	26.2
Total Operating Expenses	$ 156.810	$ 220.991	$ 385.823	$ 1.026.985	$ 1.911.664	$ 2.542.140	$ 2.730.489	7.4
Net Operating Income	$ 40.830	$ 64.367	$ 84.534	$ 240.651	$ 354.206	$ 539.732	$ 588.893	9.1
Other Income & Expenses:								
Other Income						$ 35.127	$ 33.518	(4.6)
Allowance for Funds Used During Construction						187.984	182.440	(2.9)
Deductions From Income						(26.026)	(9.254)	64.4
Taxes on Other Income						21.547	30.468	41.4
Net Other Income & Expenses						$218.632	$ 237.172	8.5
Fixed Charges:								
Interest on Funded Debt						$ 353.302	$ 352.954	(1.0)
Other Fixed Charges						(70.760)	(65.714)	7.1
Total Fixed Charges						$ 282.542	$ 287.240	1.7
Extraordinary Income						$ 33.813	-0-	
Net Income						$ 509.635	$ 538.825	5.7
Balance Sheet								
Assets								
Utility Plant						$10.207.259	$10.379.876	1.7
Depreciation Reserve						2.032.779	2.221.147	9.3
Net Plant						8.174.480	8.158.729	(.2)
Nonutility Property						10.656	14.213	33.4
Other Investments						108.806	91.338	(16.1)
Cash						5.709	7.341	28.6
Temporary Cash Investments						4.522	88.663	
Customer Accounts Receivable						178.178	208.125	16.8
Plant Material & Operating Supplies						92.764	93.884	1.2
Prepayments						17.905	17.352	(3.1)
Other Current & Accrued Assets						413.930	268.831	(35.0)
Unamortized Debt Expense						6.481	6.024	(7.0)
Miscellaneous Deferred Debits						81.734	291.862	
Accumulated Deferred Income Taxes						194.039	192.846	(.61)
Other Deferred Debits						263.287	687.102	
Total Assets						$ 9.552.491	$10.126.310	6.0

Liabilities & Stockholder's Equity

Liabilities:								
Accounts Payable						170,425	202,962	19.1
Accounts Payable to Associate Companies						1,654	12,941	
Notes Payable						184,830	136,807	(26.0)
Total Long Term Debt						3,731,925	3,728,152	(10)
Taxes Accrued						106,408	52,663	(50.5)
Miscellaneous Current & Accrued Liabilities						20,707	24,284	17.3
Other Current & Accrued Liabilities						99,032	104,904	5.9
Accumulated Deferred Investment Tax Credit						268,150	326,937	21.9
Accumulated Deferred Income Tax						789,068	1,070,698	35.7
Other Deferred Credits						105,724	138,544	31.0
Operating Reserves						5,833	33,892	
Total Liabilities						5,483,756	5,832,784	6.4
Stockholder's Equity:								
Preferred Stock						989,034	971,657	(1.8)
Common Stock						2,242,103	2,352,754	4.9
Other Paid in Capital						4,321	4,117	(4.7)
Less Discount on Capital Stock						(633)	(604)	4.6
Retained Earnings						802,812	929,110	15.7
Other						31,098	36,492	17.3
Total Stockholder's Equity						4,068,735	4,293,526	5.5
Total Liabilities & Stockholder's Equity						9,552,491	10,126,310	6.0
Statistical Information (North Carolina Only)								
Systems Sales to Ultimate Consumer (kWhs in 000s)			32,023,596	40,916,099	50,495,469	50,531,252	53,253,109	5.4
System Sales for Resale (kWhs in 000s)			9,089,804	11,559,681	14,907,807	13,783,413	13,103,471	(5.0)
Total Sales to Ultimate Customers & for Resale (kWhs in 000s)			41,113,400	52,475,780	65,403,276	64,314,665	66,356,580	3.2
Total Customers — Yearly Average	938,705	1,065,650	1,243,389	1,454,445	1,667,661	1,735,912	1,779,104	2.5
Average Number kWs User Per Residential Customer	5,204	6,697	9,695	11,002	12,272	11,652	11,873	1.9
Number of Employees Residing in N.C.	7,454	7,875	9,414	14,022	18,534	20,484	20,765	1.4
Wages & Salaries Paid N.C. Employees	$ 39,146	$ 49,359	$ 80,612	$ 177,550	$ 353,390	$ 490,832	$ 540,935	10.2
Systemwide Data:								
Operating Revenues	$ 397,459	$ 571,082	$ 949,248	$2,568,719	$ 4,825,864	$ 6,062,261	$ 6,577,792	8.5
Operating Expenses	309,888	432,958	751,909	2,032,596	3,987,765	4,919,723	5,315,584	8.0
Net Operating Income	87,571	138,124	197,339	536,123	838,099	1,142,538	1,262,208	10.5
Net Other Income (Expense)	17,505	37,371	49,148	150,636	123,030	(237,359)	(269,407)	13.5
Net Income	70,066	100,753	148,191	385,487	715,069	905,179	992,801	9.7
Preferred Dividends			24,286	95,798	150,315	163,765	163,964	.1
Net Income for Common Shareholders			$ 123,905	$ 289,689	$ 564,754	$ 741,414	$ 828,837	11.8
Statistical Information (Systemwide)								
Longterm Debt	$ 737,334	$1,023,461	$2,168,664	$4,819,049	$ 7,403,022	$ 7,890,548	$ 7,724,033	(1.0)
Total Capitalization	$1,476,166	$2,005,861	$3,941,246	$9,094,143	$ 14,333,818	$15,763,432	$16,091,257	2.1
Longterm Debt % of Total Capitalization	49.9	51.0	55.0	52.9	51.6	49.5	48.0	(3.0)
Shares of Common Stock Outstanding—Year End - (000s)	55,246	57,732	76,521	153,728	237,495	274,340	285,906	4.2
Average Earnings Per Share - Shares at Year End (after preferred stock dividents)	$ 1.17	$ 1.67	$ 1.62	$ 1.88	$ 2.38	$ 2.70	$ 2.90	7.4

[1]This is the first report to include an entire balance sheet and income statement. Therefore, this data has not been broken down for past periods.

V. The Natural Gas Industry


TENNESSEE
N
W
E
S
ASHE
ALLEGHANY
SURRY
STOKES
WATAUGA
WILKES
YADKIN
MITCHELL
AVERY
YANCEY
MADISON
ALEXANDER
IREDELL
BUNCOMBE
MCDOWELL
HAYWOOD
SWAIN
GRAHAM
JACKSON
HENDERSON
RUTHERFORD
CLEVELAND
GASTON
CABARRUS
STANLY
CHEROKEE
MACON
CLAY
TRANSYLVANIA
GEORGIA
SOUTH
UNION
ANSON
B North Carolina Natural Gas Corp.
C North Carolina Gas Service, Division of Pennsylvania & Southern Gas Co.
Piedmont Natural Gas Company, Inc.
E Public Service Company of N.C., Inc.
Municipal Gas Systems
H — GREENVILLE, CITY OF
J — KINGS MOUNTAIN, CITY OF
K — LEXINGTON, CITY OF
L — MONROE, CITY OF
M — ROCKY MOUNT, CITY OF
N — SHELBY, CITY OF
O — WILSON, CITY OF
P — REIDSVILLE, CITY OF

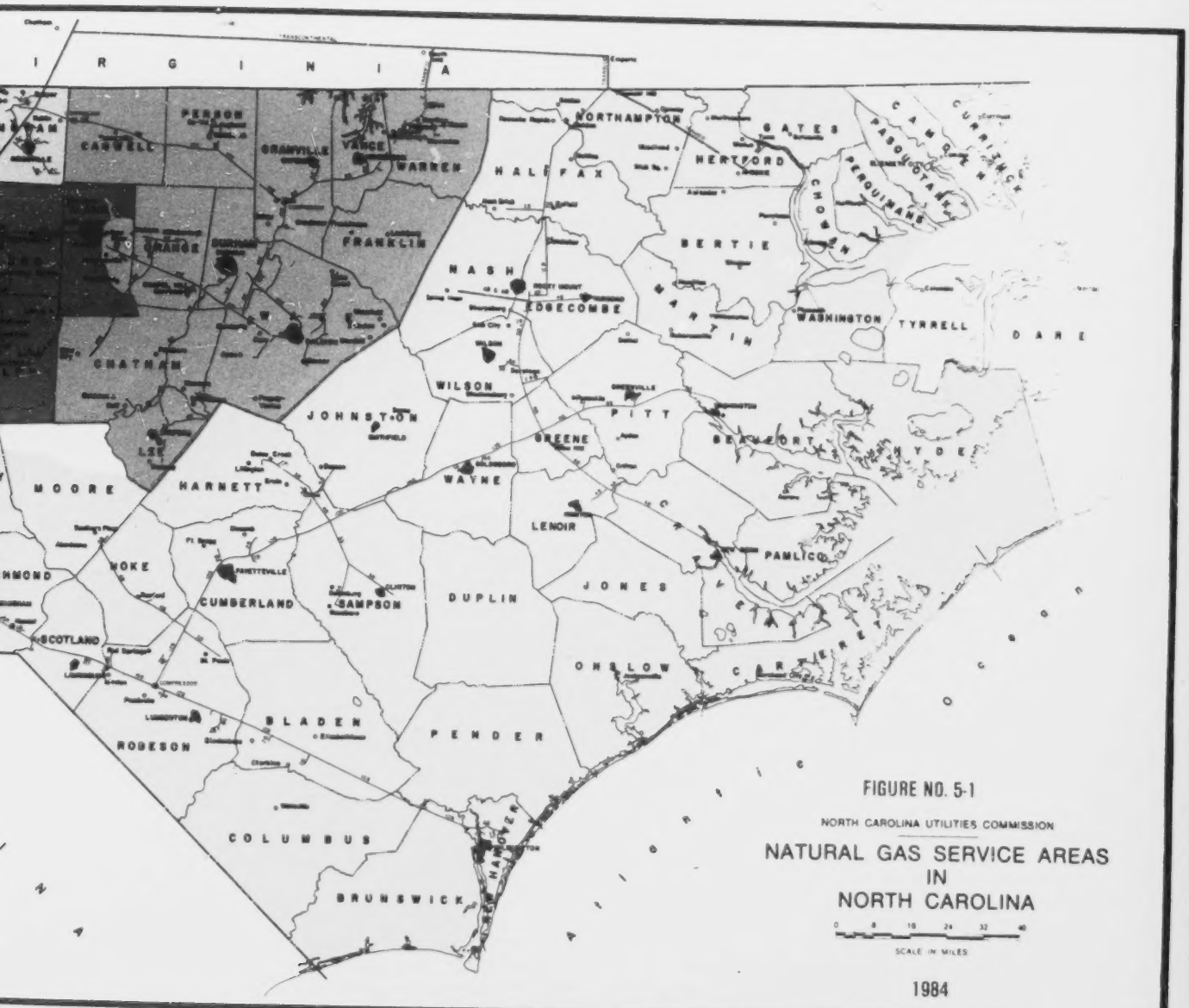


FIGURE NO. 5-1

NORTH CAROLINA UTILITIES COMMISSION

NATURAL GAS SERVICE AREAS
IN
NORTH CAROLINA

0 8 16 24 32 40

SCALE IN MILES

1984

FIGURE NO. 5-2

NORTH CAROLINA GAS COMPANIES

North Carolina Natural Gas Corp.
Drawer 909
Fayetteville, North Carolina 28032

Mr. Frank Barragan, Jr., President

North Carolina Gas Service, Division of Pennsylvania & Southern Gas Co.
P.O. Box 779
Reidsville, North Carolina 27320

Mr. E.H. Lohmann, Executive Vice President

Piedmont Natural Gas Company, Inc.
P.O. Box 33068
Charlotte, North Carolina 28233

Mr. John H. Maxheim, President

Public Service Company of N.C., Inc.
P.O. Box 1398
Gastonia, North Carolina 28052

Mr. C.E. Zeigler, President

N.C. MUNICIPAL GAS SYSTEMS

Bessemer City, City of
132 West Virginia St.
Bessemer City, NC 28016

Mr. Ralph Messera
City Manager

Greenville, City of
P.O. Box 1847
Greenville, NC 27834

Mr. Charles O' Horne, Jr.
Director of Utilities

Kings Mountain, City of
P.O. Box 429
Kings Mountain, NC 28086

Mr. John Henry Moss
Mayor

Lexington, City of
P.O. Box 649
Lexington, NC 27290

Mr. Eugene T. Morris
City Manager

Monroe, City of
P.O. Box 69
Monroe, NC 28110

Mr. P. Wilson Crooke
Director of Utilities

Rocky Mount, City of
P.O. Box 1180
Rocky Mount, NC 27801

Mr. C.W. Bateman, Jr.
Director of Utilities

Shelby, City of
P.O. Box 207
Shelby, NC 28150

Mr. Mike Haggard
Asst. Director of Utilities

Wilson, City of
P.O. Box 10
Wilson, NC 27893

Mr. C.W. Whitley
Director of Utilities

THE NATURAL GAS INDUSTRY

A. A BRIEF HISTORY OF THE NATURAL GAS INDUSTRY

During 1983 four Class A utility companies were under the regulation of the North Carolina Utilities Commission: North Carolina Natural Gas Corp., North Carolina Gas Service—Division of Pennsylvania and Southern Gas Co., Piedmont Natural Gas Company, Inc., and Public Service Company of N.C. Class A utilities have annual gas operating revenues of $2,500,000 or more. Figure No. 5-2 is a list of the companies and their chief officers.

The North Carolina companies are primarily distribution companies purchasing their gas for resale mainly from Transcontinental Gas Pipeline Corporation (TRANSCO). TRANSCO is the only interstate gas pipeline operating within the State. Transco purchases natural gas from producers in Texas and Louisiana and transports it to North Carolina where it is resold to the distributing companies. The selling rates are prescribed by the Federal Energy Regulatory Commission on the basis of three rate zones based on distance from the point of production. North Carolina is in zone 2 which is bound by the Georgia-South Carolina state line on the south and the Virginia-Maryland state line on the north.

The gas supplies available to North Carolina's companies are based on the amount of gas Transco has available. In 1978 the Federal government

enacted the Natural Gas Policy Act. This act encouraged more producers to drill for new natural gas. The increased price of gas made it economically feasible to bring "deep" gas out of the ground. This brought a more abundant supply of gas to the marketplace. During this same period the price of oil decreased and more customers chose to burn oil instead of natural gas. These are some of the reasons why there is a plentiful supply of natural gas into North Carolina currently.

Only two of the distributing companies in North Carolina have operations in other states: North Carolina Gas Service, a division of Pennsylvania and Southern Gas Company and Piedmont Natural Gas Company. North Carolina Gas Service also operates in Pennsylvania, New York, and Maryland; and Piedmont Natural Gas operates in South Carolina as well as North Carolina. Under existing Federal Law any intrastate operation of distributing companies whose purchases and sales are all made within the State are under the jurisdiction of the State; i.e., the North Carolina Utilities Commission.

During 1978 all the gas companies changed their methodology by which purchases of gas were made from a thousand cubic feet (Mcf) basis to a dekatherm (dt) basis. The heat content of one Mcf of gas is equal to approximately 1.030 dekatherms. One dekatherm equals 10 therms. One therm equals 100,000 Btu's (British thermal units).

B. PLANT INVESTMENT AND EXPANSION

There are more than 200 North Carolina cities and towns which have a combined population in excess of 4,500,000 served by the natural gas utilities. The natural gas companies continued limited expansion of services by investing more than $90 million in plant facilities for the year 1983. At December 31, 1983, their combined total gross investment for the State was $488,378,000. This represents an increase of 7.8% from the preceding year. Figure No. 5-3 gives the gross plant investment for the natural gas companies for the period 1963-1983.

C. GROWTH TRENDS—CUSTOMERS, REVENUES, VOLUME

In 1983 the annual average number of natural gas utility customers increased 3.3% from the previous year. Figure No. 5-4 shows the customers by classification for the years 1963-1983. The natural gas industry is reasonably young and comparatively small in North Carolina having been started during the early fifties. Figure No. 5-5 shows the customer growth for the years 1965, 1970, 1975, 1980, 1982, and 1983 by major customer classification.

Figure No. 5-6 shows the total customer growth by regulated companies and municipal gas systems with total revenues of gas sold in Mcf's or dekatherms for the years 1965, 1970, 1975, 1980, 1982, and 1983. The municipals experienced a decline in the number of customers equal to 3.2% in 1983, while the regulated utilities grew at a 3.3% rate.

Growth in revenues from the sale of gas in 1983 for the regulated section was 9.0%, and for the municipals the rate was 7.1%. The quantity of gas sold in terms of dekatherms in 1983 decreased by 4.3% for the regulated section and decreased by 8.8% for the municipals.

Figure No. 5-7 shows the sale pattern of natural gas to ultimate type of customers in million dekatherms by the North Carolina regulated natural gas companies for the period 1965-1983.

D. COMPARISONS OF RESIDENTIAL BILLS, USAGE, AND COST PER MCF OR DEKATHERM

Rates for natural gas and its usage vary widely among companies and regions rendering it extremely difficult to make meaningful comparisons. Some of the reasons for these variances are price, usage, and saturation of customers. Price is determined by the distance from the source of supply, the dates the pipelines were constructed, and the investment costs to be recovered. The price is also affected by the company's system load factor ratio. A company with a high system load factor ratio (actual use of facilities compared to its full (100%) operating capacity) with all other cost items being equal could price its gas lower than a company could with a low system load factor. Usage depends upon several factors: the percent relationship of space heating customers to total customers among companies and regions, the weather conditions between companies and regions (a variance in temperature of a few degrees per day between areas can greatly affect the number of degree days), and the competitive relationship of natural gas to other energy sources such as fuel oil, electricity, and coal. Saturation of customers depends upon the number of customers per mile of gas mains.

Some average annual usages and cost data for the North Carolina natural gas companies and seven natural gas companies located in various sections of the United States are shown in Figure No. 5-8. The data indicates North Carolina customers are in the middle range of the seven companies shown. Due primarily to a generally mild climate North Carolina usage tends to be lower than the national average.

E. INDUSTRIAL SALES VOLUME

In 1983 industrial sales totaled more than 69 million dekatherms. This reflects a 7.9% decrease from the 1982 sales. Total industrial sales of dekatherms accounted for 54.3% of total natural gas sales in North Carolina by the regulated natural gas companies. See Figure No. 5-9 for a summary of natural gas sales, revenues, and customers for the years 1965, 1970, 1975, 1980, 1982, and 1983.

F. RATE CHANGES—GAS TRACKINGS

General Rate Increases. A portion of the revenue increases in 1983 reflects the general rate increases approved by the Commission for the companies listed in Figure No. 5-10.

Gas Trackings

General Pass Ons of Wholesale Price Changes. Pursuant to authority granted to the Utilities Commission in G.S. 62-133 by the 1971 General Assembly the Commission in Docket No. G-100, Sub 14, established procedures under which gas companies in North Carolina could pass on to their customers wholesale increases in the cost of gas to them by their pipeline suppliers. This tracking authority has reduced the amount and number of general rate cases filed with the Commission during the years since 1972. It has also reduced the lag time the companies would have experienced in recouping the increased gas costs which have a direct impact on the companies' level of earnings.

The gas tracking changes approved by the Commission for the calendar year 1983 are found in Figure No. 5-11.

Special Situations. These gas trackings can be both increases and decreases in the cost of wholesale gas from Transco. The distributing companies maintain a "deferred" account in which the changes in cost of gas from the filed tariff rate are accounted for, and at an appropriate time applications to recover or refund the net effect are made with the Commission.

The tracking proceedings under which these pass ons are allowed involves filing of data by gas utilities essentially in the same format as filing for general rate proceedings. This data is reviewed and analyzed by both the Commission and Public Staff's Engineering and Accounting divisions.

Gas Supply Volume Trackings. Since 1976 the Commission has granted approval for all the gas utilities to file curtailment tracking mechanisms such that the gas utilities' margin (difference in revenues and cost of gas plus gross receipts tax) was fixed in the general rate case. These mechanisms protected the gas utility from fluctuating changes in supply volumes. As the available supply of natural gas increased, the margins increased on sales to customers and permitted the customers' rates to be reduced while the companies' margin remained fixed. As volumes decreased the gas utility simply raised all customers' rates such that the margin remained constant. The mechanisms as described allowed interim adjustments to rates so the gas utility did not have to file constant general rate cases to take care of the volatile fluctuations in its supply of gas and resultant changes in margins. There were no curtailment tracking adjustments (CTA) filed in 1983. However, CTA consideration was eliminated in general rate cases due to an adequate supply of gas.

Industrial Sales Tracker (IST). The Industrial Sales Tracker implemented for Public Service Company and N. C. Natural Gas are modified curtailment tracking mechanisms. These mechanisms collect revenues from those industrial customers who have heavy fuel oil as an alternate fuel, and refund it to the high priority market. This mechanism was proposed by the Public Staff so the gas utilities could negotiate the sale of industrial natural gas and benefit all other customers. As industrial sales increase the rates to all other customers is lowered, and by the same token, if individual natural gas sales decrease, the rate to all other customers will increase. This mechanism was begun in 1983 for the two gas utilities as mentioned earlier.

Decreases in the amount of available gas result in an increased IST rate while increases result in a decreased IST rate. Changes in the available gas from the base year volumes due to fluctuations in gas supply and sales volume will inversely affect the IST base year volumes. Then the IST rate will be adjusted accordingly.

Exploration and Development Trackings (E & D)

On June 26, 1975, the Commission established natural gas exploration rules (Docket No. G-100, Sub 22), which provided for customer participation in approved exploration and development progams. Approximately every six months the distributors determined a dekatherm rate to be billed to their customers to recover their share of the allowable E & D costs. Successful discoveries are sold, and the proceeds used to reduce exploration costs or, when practical, the new gas is put into Transco's supply of gas to North Carolina distributors to reduce curtailment gas tracking rates.

In September 1980 the N.C. Utilities Commission terminated the ratepayers participation in the E & D programs. Supplies of natural gas had begun to increase thereby warranting less supplemental supplies of natural gas. The net effect of the termination of the programs is that the expenditures decrease, and the value of recoveries increase, thus netting down the total cost to be recovered from ratepayers. The program currently is providing refunds to those customers who were being served as of September 1980. These refunds will continue as long as net revenues are being received from the sale of gas produced as result of the E & D programs. Capital expenditures for exploration ventures through September 1983 are $85,374,596. The total net equivalent Mcf production is 24,515,965. Therefore, the finding cost per net equivalent Mcf reserves is $3.50. Figure No. 5-12 illustrates the 1983 refunds and cumulative dollars paid to fund the E & D programs.

G. NATURAL GAS PIPELINE SAFETY

History and Overview: On August 12, 1968, the United States Congress passed Public Law 90-481, better known as the Natural Gas Pipeline Safety Act of 1968. This Act authorized the Secretary of Transportation to administer this law, develop standards, and regulate enforcement of such standards for the design, installation, inspection, testing, construction, extension, operation, replacement, and maintenance of pipeline facilities. Section 5a of this Act authorized each state to regulate these minimum standards through certification by the Secretary of Transportation providing certain provisions were met.

Section 62-50 (Safety Standards of Interstate and Intrastate Natural Gas Pipelines) was enacted as Chapter 1134 of the 1967 Session Laws and became effective January 1, 1968. In the 1969 Legislature an amendment was added to Section 62-50 of the General Statutes which authorized the North Carolina Utilities Commission to administer a state program pertaining to the design, installation, inspection, testing, construction, extension, operation, replacement, and maintenance of pipeline facilities used to transport natural gas in North Carolina.

The procedures and standards adopted by the North Carolina Utilities Commission as authorized under Section 62-50 is known as the North Carolina Gas Pipeline Safety Code. This code is a mandatory requirement under State law and noncompliance by any persons engaged in the transportation of gas or who own or operate pipeline facilities is subject to a civil penalty not to exceed $1,000 per each violation for each day that such violation persists, except that the maximum civil penalty shall not exceed $200,000 for any related series of violations. The law also provides authority for the Commission to file suit to restrain violations of the Code, including the restraint of transportation of gas for the operation of the pipeline facilities.

The North Carolina Gas Pipeline Safety Code is comprised of three basic sections: Part 191 (Report of Leaks), Part 192 (Minimum Federal Safety Standards), and Part 193 (Liquified Natural Gas Facilities). In order to comply with the certification of the Secretary of Transportation, the Commission must adopt as part of its Code all Minimum Federal Safety Standards.

There are four major gas utilities in North Carolina, along with eight municipal gas systems. In addition the 1979 session of the North Carolina General Assembly gave the Utilities Commission jurisdiction over master meter operations. This added 168 distribution systems to the already existing 175, bringing the total to 343 systems which must be inspected for compliance with the North Carolina Gas Pipeline Safety Code. Connecting and within these systems are 1,550 miles of transmission mains and 10,302 miles of distribution mains.

Enforcement Activity: During 1983 the Gas Pipeline Safety Section of the Commission Staff spent 383 man days inspecting the pipeline facilities in North Carolina. Of the 199 distribution systems inspected, 104 major violations of the "Minimum Federal Safety Standards" were detected. By the end of the year, 95 of these violations had been corrected and the remaining were being worked on. There were five accidents investigated by the Staff during 1983. Two of these involved L.P. Gas and were investigated at the request of the S.B.I. in order to assist their agents. The three accidents involving natural gas resulted in injuries to three people and property loss of some $50,400. The Staff conducted six seminars for the gas operators in North Carolina. These seminars covered the rules and regulations and how to comply with the code. The cost of conducting the pipeline safety program for 1983 was $138,611 of which $75,011 was refunded to the State by the U.S. Dept. of Transportation.

H. SOURCE AND DISPOSITION OF THE GAS REVENUE DOLLAR

Both the source and disposition of the 1983 gas revenue dollar are shown by the pie charts on Figure No. 5-13. Shown in Figure No. 5-14 is a comparison chart reflecting both source and disposition of the gas revenue dollar for the years 1979, 1980, 1981, 1982, and 1983.

I. STATISTICAL SUMMARY DATA

The total gross operating revenues for the Class A gas companies were more than $700 million in 1983. This reflect a 9.1% increase from the previous year. Part of this increase is explained by the fact that Piedmont Natural Gas experienced a sizable increase in its revenues from the transportation of gas for other companies. Similarly operating expenses before taxes increased 8.6% in 1983. The fact that state and federal income taxes increased significantly in 1983 helps explain why total operating expenses increased compared to 1982. In 1983 operating expenses before taxes were 85.3% of total operating revenues compared to 85.7% in 1982. The increased nonutility operating revenues offset the larger taxes and operating expenses and therefore contributed to a larger net income than the previous year. The 1983 net income rose 32.8% from 1982. In 1983 other income increased significantly due to an unusual increase in miscellaneous nonoperating income for N.C. Natural Gas Company.

Interest on long-term debt increased 24.3% and earnings per common share outstanding increased from $2.15 to $2.94 in 1983. Also, the average number of common shares outstanding increased by 3.5% to 8,793,000 shares. The average number of full-time employees in 1983 totaled 2,277, an increase of 20 persons. The total wages paid these employees equaled $43,887,000, a 5.4% increase from the previous year. See Figure No. 5-15 for additional financial and operating statistical data.

FIGURE NO. 5-3

NATURAL GAS COMPANIES — CLASS A
GROSS PLANT INVESTMENTS — YEAR-END DATA ($000'S)
1963-1983

	N.C. Natural Gas Co.	Penn & Southern Gas Co.	Piedmont Natural Gas Co.	Public Service Co. of N.C.	United Cities Gas Co.	Totals	% Increase over Prior Year
1963	$ 29,325	$ 2,338	$ 45,175	$ 37,293	$ 672	$ 114,803	
1964	30,237	2,505	49,765	42,591	694	125,792	9.6%
1965	31,136	2,730	55,621	48,008	705	138,200	9.9
1966	32,272	3,059	59,880	54,382	763	150,356	8.8
1967	34,353	3,360	65,384	61,963	922	165,982	10.4
1968	40,463	3,655	72,417	68,359	919	185,813	11.9
1969	44,597	3,876	79,287	74,799	1,001	203,560	9.6
1970	47,676	4,064	86,347	80,825	1,386	220,298	8.2
1971	51,691	4,366	89,675	86,047	1,623	233,402	5.9
1972	54,416	4,581	99,864	90,964	1,868	251,693	7.8
1973	56,571	4,792	107,031	95,663	2,070	266,127	5.7
1974	58,162	4,858	110,179	100,982	2,275	276,456	3.9
1975	59,981	5,304	111,973	111,602	2,402	291,262	5.4
1976	62,363	5,451	113,970	118,924	2,606	303,314	4.1
1977	64,355	5,440	117,842	123,821	2,744	314,202	3.6
1978	66,859	5,595	125,140	129,207	3,010	329,811	5.0
1979	70,393	5,826	132,120	137,009	3,211	348,559	5.7
1980	76,058	6,284	147,546	151,932	3,942	385,762	10.7
1981	82,091	6,406	160,032	165,475	4,350	418,354	8.4
1982	87,452	6,660	174,280	184,661	—	453,053	8.3
1983	92,729	6,834	189,714	199,101	—	488,378	7.8
Percent Increase (Decrease)							
1983 over 1982	6.0%	2.6%	8.9%	7.8%	—	7.8%	

FIGURE NO. 5-4

CUSTOMERS BY CLASSIFICATION (YEARLY AVERAGE)
(N.C. Data Only)
1963-1983

	Residential	Commercial	Industrial		Total	Other* Classes	Totals	% Increase Over Prior Year
			Firm	Interruptible				
1963	125,435	17,470			1,661	13,387	157,953	
1964	134,097	18,903			1,802	13,276	168,078	6.4%
1965	145,080	20,613			1,860	17,834	185,387	10.3
1966	156,836	22,363			1,984	16,187	197,370	6.5
1967	169,127	24,241			2,107	15,639	211,114	7.0
1968	182,622	26,250			2,018	17,193	228,083	8.0
1969	196,570	28,918			2,625	18,580	246,693	8.2
1970	208,712	30,572			2,789	20,213	262,286	6.3
1971	220,941	31,834	1,451	857	2,308	20,435	275,518	5.0
1972	233,746	32,409	1,429	907	2,336	21,083	289,574	5.1
1973	242,405	33,245	1,339	879	2,218	21,645	299,513	3.4
1974	251,611	34,239	1,011	872	1,883	21,820	309,553	3.4
1975	257,952	35,141	1,037	848	1,885	22,221	317,199	2.5
1976	259,355	35,435	1,096	556	1,752	22,561	319,103	0.6
1977	267,629	35,141	1,312	550	1,862	17,007	321,639	0.8
1978	276,273	35,559	1,543	276	1,819	14,444	328,095	2.0
1979	280,289	36,162	1,561	248	1,809	14,794	333,054	1.5
1980	294,343	37,904	1,617	294	1,911	15,140	349,298	4.9
1981	304,072	39,108	1,709	283	1,992	14,979	360,151	3.1
1982	314,108	40,624	1,760	266	2,026	14,962	371,720	3.2
1983	324,569	42,364	1,863	263	2,126	15,095	384,154	3.3

*Includes public housing units rather than meters.

Percent Increase (Decrease) 1983 over 1982	3.3%	4.3%	5.9%	(1.1%)	4.9%	0.9	3.3%	

FIGURE NO. 5-5

GAS COMPANIES — CUSTOMER GROWTH BY CLASSES
(North Carolina Data Only — Annual Average Shown)
1965, 1970, 1975, 1980, 1982, 1983

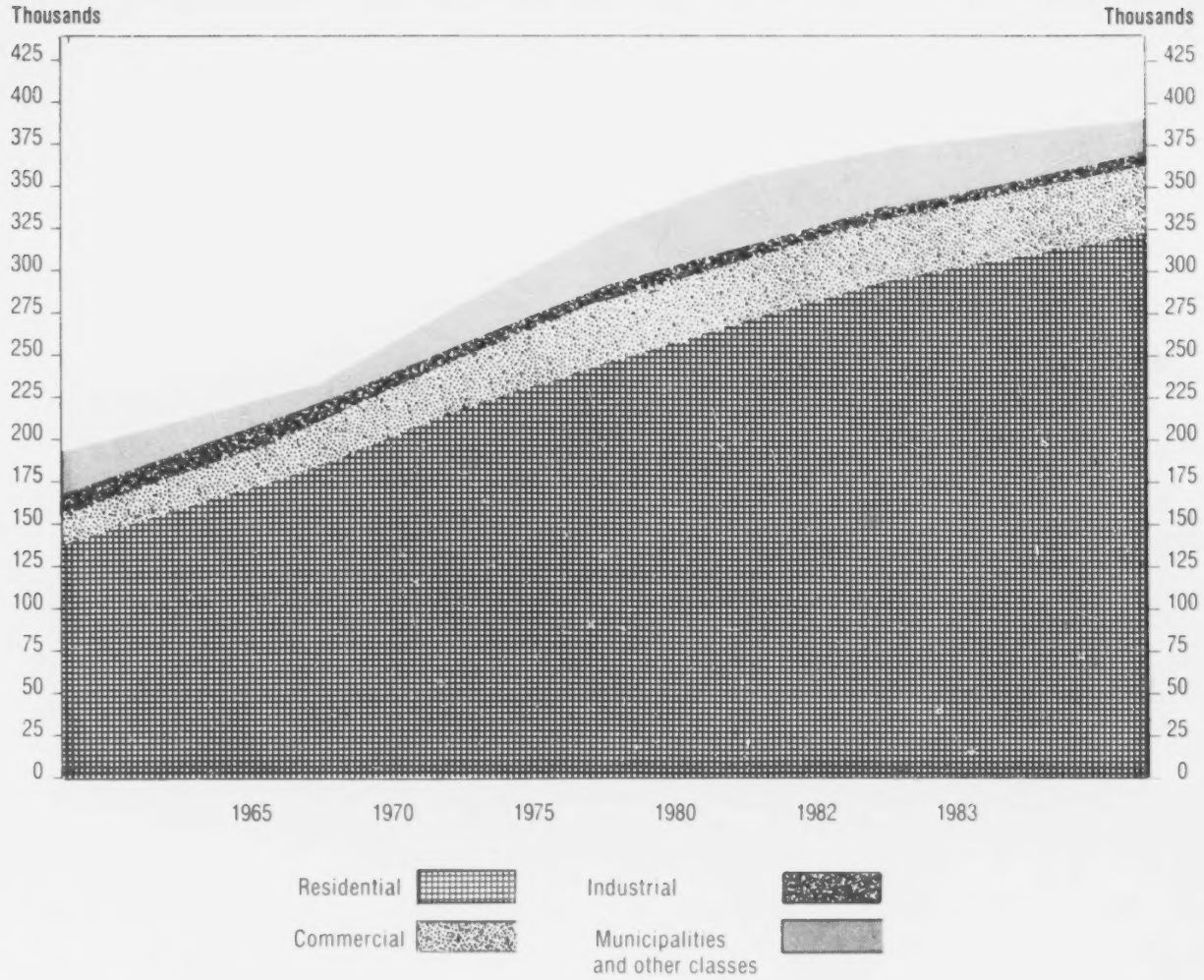


FIGURE NO. 5-6

REGULATED AND MUNICIPAL GAS SYSTEMS
Number of Customers, Total Revenue from Sales of Gas, and Total MCFs and Dekatherms Sold
For the Years 1965, 1970, 1975, 1980, 1982, 1983
($, MCF-Dekatherms in 000's)
(N.C. Data Only)

Regulated Utilities	Number of Customers—Yearly Average[1] 1965	1970	1975	1980	1982	1983	% Increase (Decrease) 1983 over 1982
Class A:							
N.C. Natural Gas	32,653	40,676	50,150	58,082	62,439	63,469	1.6
N.C. Gas Serv. (Penn. & Southern)	4,943	7,562	8,220	8,739	8,817	8,838	0.2
Piedmont Natural Gas	87,018	117,270	137,461	147,743	157,616	161,921	2.7
Public Service Co. of N.C.	59,472	94,942	116,198	131,787	142,848	149,926	5.0
United Cities Gas Co.	1,301	1,836	2,534	2,947	—	—	
Total — Regulated Utilities	185,387	262,286	314,563	349,298	371,720	384,154	3.3
Municipals:[2]							
Bessemer City	303	534	508	354	569	N/A	—
Greenville, City of	3,913	4,057	4,687	3,456	3,997	4,065	1.7
Kings Mountain, City of	1,000	1,381	1,637	1,767	1,674	1,630	(2.6)
Lexington, City of	3,576	4,535	4,354	4,369	4,451	4,438	(.3)
Monroe, City of	1,030	1,562	2,419	2,361	1,965	2,026	3.1
Rocky Mount, City of	3,464	5,580	7,460	8,195	8,629	7,937	(8.0)
Shelby, City of	2,656	3,752	3,767	3,684	4,117	4,145	0.7
Wilson, City of	3,540	4,626	5,442	5,873	6,123	6,273	2.4
Total — Municipals	19,482	26,027	30,274	30,059	31,525	30,514	(3.2)
GRAND TOTALS — ALL GAS SYSTEMS	204,869	288,313	344,837	379,357	403,245	414,668	2.8

[1]Public Housing Units counted as customers; amounts for Municipal Gas are year-end figures.
[2]Municipal Data for fiscal years ending June 30.

Regulated Utilities	Total Revenue From Sales of Gas (N.C. Data Only) ($ in 000's) 1965	1970	1975	1980	1982	1983	% Increase (Decrease) 1983 over 1982
Class A:							
N.C. Natural Gas	$ 10,599	$ 24,439	$ 42,986	$ 137,056	$ 179,590	$ 169,473	(5.6)
N.C. Gas Serv. (Penn.& Southern)	1,222	2,466	3,166	9,642	11,389	14,452	26.9
Piedmont Natural Gas	22,194	36,828	59,831	179,421	239,555	269,107	12.3
Public Service Co. of N.C.	17,738	33,995	52,053	158,891	211,508	246,722	16.6
United Cities Gas Co.	359	630	1,096	3,011	—	—	
Total — Regulated Utilities	$ 52,112	$ 98,358	$ 159,132	$ 488,021	$ 642,042	$ 699,754	9.0
Municipals:[1]							
Bessemer City	$ 93	$ 167	$ 301	$ 1,023	$ 1,491	$ 1,698	13.9
Greenville, City of	364	589	1,145	3,660	4,797	6,152	28.2
Kings Mountain, City of	427	479	947	2,817	3,921	4,047	3.2
Lexington, City of	718	1,327	1,930	6,759	9,009	9,035	.3
Monroe, City of	331	680	1,001	3,078	4,947	5,562	12.4
Rocky Mount, City of	922	1,543	2,715	8,563	11,768	12,219	3.8
Shelby, City of	1,240	1,743	2,338	8,649	13,110	13,532	3.2
Wilson, City of	572	919	1,399	2,883	4,855	5,483	12.9
Total — Municipals	$ 4,667	$ 7,447	$ 11,776	$ 37,432	$ 53,898	$ 57,728	7.1
GRAND TOTALS — ALL GAS SYSTEMS	$ 56,779	$ 105,805	$ 170,908	$ 525,453	$ 695,940	$ 757,482	8.8

[1]Municipal Data for years ending June 30th.

FIGURE NO. 5-6 (Continued)

Regulated Utilities	Total MCFs and Dekatherms of Gas Sold (000's)[1] 1965	1970	1975	1980	1982	1983	% Increase (Decrease) 1983 over 1982
Class A:							
N.C. Natural Gas	17,039	39,687	30,763	41,947	41,296	33,485	(18.9)
N.C. Gas Serv. (Penn. & Southern)	1,717	4,265	1,898	2,276	2,166	2,425	12.0
Piedmont Natural Gas	28,154	46,231	34,822	48,991	47,654	47,539	(0.2)
Public Service Co. of N.C.	23,234	42,106	30,490	43,942	41,863	43,808	4.6
United Cities Gas Co.	395	755	576	868	—	—	—
Total — Regulated Utilities	70,539	133,044	98,549	138,024	132,979	127,257	(4.3)
Municipals:[2]							
Bessemer City	135	259	290	379	363	357	(1.7)
Greenville, City of	320	456	600	940	871	946	8.6
Kings Mountain, City of	642	695	980	1,008	870	801	(7.9)
Lexington, City of	919	2,018	2,024	2,609	2,203	1,972	(10.5)
Monroe, City of	367	810	670	878	943	943	-0-
Rocky Mount, City of	1,308	1,726	1,608	2,170	2,317	1,879	(18.9)
Shelby, City of	2,576	3,676	2,760	3,553	3,335	3,011	(9.7)
Wilson, City of	545	821	782	853	953	900	(5.6)
Total — Municipals	6,812	10,461	9,714	12,390	11,855	10,809	(8.8)
GRAND TOTALS — ALL GAS SYSTEMS	77,351	143,505	108,263	150,414	144,834	138,066	(4.7)

[1]Sales for period 1965-1975 shown in MCFs. Sales from 1980 shown in Dekatherms (DTs). Dekatherm = 1,030 MCFs.
[2]Municipal Data for fiscal years ending June 30.

FIGURE NO. 5-7

GAS COMPANY ENERGY SALES BY CLASSES TO ULTIMATE CONSUMERS
(Millions of Dekatherms — North Carolina Data Only)
1965, 1970, 1975, 1980, 1982, 1983

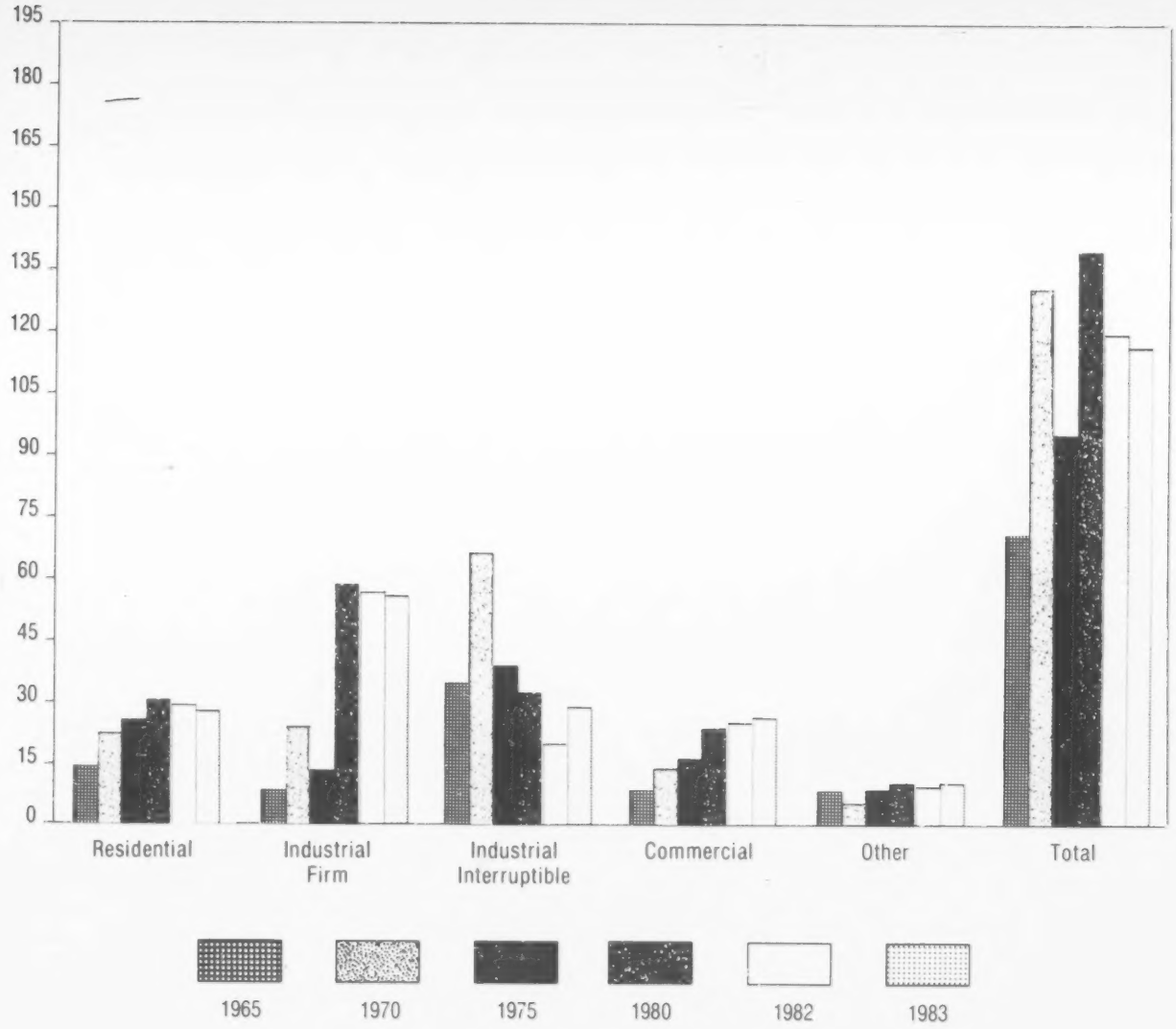


FIGURE NO. 5-8

RESIDENTIAL NATURAL GAS CUSTOMERS AVERAGE ANNUAL USAGE AND COST DATA (MCF and DT)

N.C. and Selected Gas Companies Outside N.C.
For the Years 1965, 1970, 1975, 1980, 1982, 1983

Company	Use—MCF & DT[1]						Rate per MCF or DT						Total Cost					
	1965	1970	1975	1980	1982	1983	1965	1970	1975	1980	1982	1983	1965	1970	1975	1980	1982	1983
N.C. Gas Companies (N.C. Data Only):																		
N.C. Natural Gas Corp.	72	89	77	79	74	70	$ 1.72	$ 1.55	$ 2.02	$ 4.04	$ 5.16	$ 6.00	$ 123.18	$ 137.95	$ 155.54	$ 319.16	$ 381.84	$ 420.00
N.C. Gas Service (Penn & South)	121	138	116	92	85	83	1.08	1.00	1.79	4.11	5.80	6.57	131.25	138.00	207.64	378.12	493.00	545.31
Piedmont Natural Gas Co. Inc.	99	124	97	106	96	93	1.34	1.46	1.99	4.07	5.63	6.59	132.56	181.04	193.03	431.42	540.48	612.87
Public Service Co. of N.C., Inc.	94	115	98	95	88	85	1.45	1.39	2.15	4.11	5.67	6.54	136.28	159.85	210.70	390.45	498.96	555.90
United Cities Gas Co.[4]	68	93	88	89	—	—	1.72	1.53	2.40	4.18	—	—	117.05	142.29	211.20	372.02	—	—
Weighted Average	93	116	95	97	89	86	$ 1.41	$ 1.32	$ 2.05	$ 4.08	$ 5.59	$ 6.50	$ 131.44	$ 141.98	$ 194.75	$ 395.76	$ 497.51	$ 559.00
Gas Companies Outside N.C. (System-wide Data):[2]																		
Gas Co. **Headquarters**																		
Alabama Gas Co. Birmingham, Alabama	100	120	91	93	86	84	$ 1.13	$ 1.09	$ 1.72	$ 4.01	$ 5.16	$ 5.97	$ 113.00	$ 130.80	$ 156.52	$ 372.93	$ 443.76	$ 501.48
Arkansas Western Gas Fayetteville, Arkansas	131	139	114	105	103	95	.73	.82	1.12	2.59	3.39	4.59	95.63	113.98	127.68	271.95	349.17	436.05
Indiana Gas Co. Indianapolis, Indiana	165	170	160	144	140	114	.89	1.06	1.37	2.95	3.92	6.19	146.85	180.20	219.20	424.80	548.80	705.66
Fall River Gas Co. Fall River, Massachusetts	76	93	86	93	94	85	1.87	1.75	3.61	5.03	7.71	7.77	142.12	162.75	310.46	467.79	724.74	660.45
Haverhill Gas Co. Haverhill, Massachusetts	83	110	93	89	96	82	1.81	1.73	2.93	5.26	7.26	8.94	150.23	190.30	272.49	468.14	696.96	733.08
Mississippi Valley Gas Co. Jackson, Mississippi	102	102	87	90	83	81	.84	.88	1.41	3.30	4.23	5.41	85.68	89.76	122.67	297.00	351.09	438.21
Washington Natural Gas Seattle, Washington	115	124	122	97	92	81	1.35	1.27	2.12	4.92	6.58	6.81	155.25	157.48	258.64	477.24	605.36	551.61
National Average[3]	117	129	122	115	104	100	$ 1.00	$ 1.06	$ 1.69	$ 3.17	$ 4.18	$ 5.82	$ 117.00	$ 133.18	$ 206.18	$ 364.55	$ 434.74	$ 582.00

1. 1965-1975 Use shown in MCFs
1980-1983 Use shown in Dekatherms (DTs)
1 Dekatherm = 1.030 MCFs

2. Source: Company Annual Stockholder Reports

3. Source: Gas Facts — Editions for years shown.
1983 U.S. Average — Quarterly Report of Gas Industry Operations (American Gas Association)

4. Public Service Co. of N.C., Inc. purchased United Cities Gas Co. and assumed full operation and control on Oct. 1, 1982. (Docket No. G-5, Sub 179)

FIGURE NO. 5-9

SUMMARY OF NATURAL GAS SALES OF MCFs (1965-1975) AND DEKATHERMS (1980-1983)
REVENUES AND CUSTOMERS BY CLASSIFICATION WITH PERCENT OF TOTALS SHOWN
Calendar Years 1965, 1970, 1975, 1980, 1982, 1983

Sales—MCFs and DTs (000's)	1965	% of Total	1970	% of Total	1975	% of Total	1980	% of Total	1982	% of Total	1983	% of Total
Residential	13,487	19.1	23,687	17.8	24,458	24.8	28,563	20.7	28,001	21.1	27,903	21.9
Commercial	6,539	9.3	14,889	11.2	15,867	16.1	20,946	15.1	22,631	17.0	22,903	18.0
Industrial	43,744	62.0	88,124	66.2	51,456	52.2	81,591	58.9	75,060	56.4	69,150	54.3
Other	6,769	9.6	6,344	4.8	6,768	6.9	7,320	5.3	7,287	5.5	7,301	5.8
Total Sales	70,539	100.0	133,044	100.0	98,549	100.0	138,420	100.0	132,979	100.0	127,257	100.0
Revenues: (000's)												
Residential	$ 17,664	33.9	$ 31,217	31.7	$ 49,823	31.3	$ 116,271	24.0	$ 156,545	24.4	$ 181,539	25.9
Commercial	9,194	17.6	16,295	16.6	28,308	17.8	77,797	15.9	115,715	18.0	134,714	19.3
Industrial	22,015	42.3	44,720	45.5	71,601	45.0	269,457	55.2	336,547	52.4	347,998	49.7
Other	3,239	6.2	6,126	6.2	9,400	5.9	24,096	4.9	33,235	5.2	35,503	5.1
Total Revenues	$ 52,112	100.0	$ 98,358	100.00	$ 159,132	100.0	$ 487,621	100.0	$ 642,042	100.0	$ 699,754	100.0
Customers: (Annual Average)												
Residential	145,080	78.3	208,712	79.6	255,339	81.2	294,343	84.3	314,108	84.5	324,569	84.5
Commercial	20,613	11.1	30,572	11.7	35,141	11.2	37,904	10.8	40,624	10.9	42,364	11.0
Industrial	1,860	1.0	2,789	1.0	1,862	.6	1,911	.6	2,026	.6	2,126	.6
Other	17,834	9.6	20,213	7.7	22,221	7.0	15,140	4.3	14,962	4.0	15,095	3.9
Total Customers	185,387	100.0	262,286	100.0	314,563	100.0	349,298	100.0	371,720	100.0	384,154	100.0

Percent Change in Sales of Gas (MCFs and Dekatherms)

Sales	1970/1965	1975/1970	1980/1975	1982/1980	1983/1982
Residential	75.6%	3.3%	16.7%	(2.0%)	(.3%)
Commercial	127.7	6.6	32.0	8.0	1.2
Industrial	101.4	(41.6)	58.6	(8.0)	(7.9)
Other	(6.3)	6.7	8.2	(.5)	.2
Total Sales	88.6%	(26.0%)	40.4%	(3.9%)	(4.3%)

FIGURE NO. 5-10

GENERAL RATE INCREASES APPROVED
For the Year 1983

Company	Date Filed	Docket Number	Amount Requested (000's)	Amount Approved (000's)	Amount Approved % of Amount Requested	Date of Order
N.C. Natural Gas Corp.	4-27-83	G-21, Sub 235	$ 8,373	$ 1,118	13.4%	12-12-83
Penn. & Southern Gas Co.	2-1-83	G-3, Sub 114	534	412	77.1%	5-18-83
Public Service Co. of N.C.	1-19-83	G-5, Sub 181	7,126	1,527	21.4%	8-18-83
Total			$ 16,033	$ 3,057	19.1%	

FIGURE NO. 5-11

GAS TRACKING CHANGES APPROVED
1983

Company	Docket	Number	Increase/ (Decrease)	Increase/(Decrease) Per Dekatherm*
N.C. Gas	G-3, Subs 117, 120 & 122	2	(277,022)	(12.90)¢/DT
N.C. N.G.	G-21, Subs 236 & 239	2	(6,310,429)	(19.59)
Piedmont	G-9, Subs 231, 234 & 237	3	(3,538,882)	(7.20)
Public Service	G-5 Subs 181, 185 & 189	3	(11,477,660)	(26.20)
			(21,603,993)	

*Cents per Dekatherm (¢/DT)

FIGURE NO. 5-12

1983 REFUNDS AND CUMULATIVE DOLLARS PAID TO FUND E&D PROGRAMS
by Typical Residential Customer as of 12/31/83

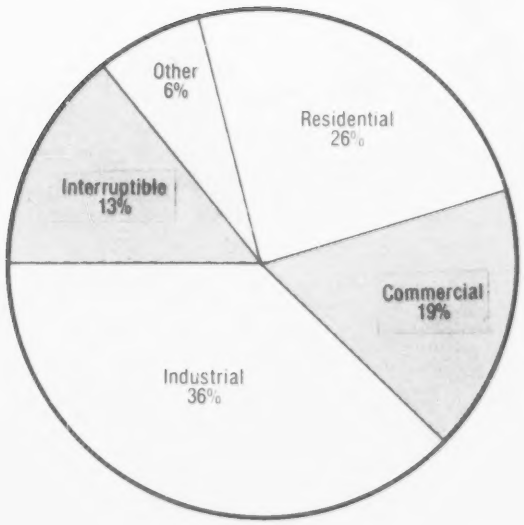
Company	Cumulative Costs per Customer 1975-1982	Customer Refunds 1983	Net Costs to be Recovered
N.C. Gas Service (Penn. & Southern)	$ 23.99	$ (1.99)	$ 22.00
N.C. Natural Gas	42.06	(4.97)	37.09
Piedmont Natural Gas	30.02	(4.48)	25.54
Public Service Gas	42.12	(1.22)	40.90
Total N.C.	$138.19	$12.66	$125.53

FIGURE NO. 5-13

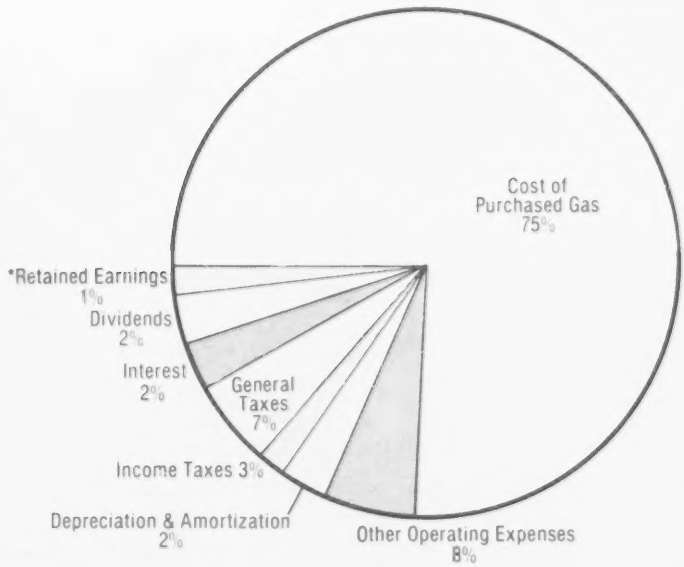
SOURCE AND DISPOSITION OF THE REVENUE DOLLAR
GAS COMPANIES
NORTH CAROLINA DATA ONLY

December 31, 1983

SOURCE



DISPOSITION



*Retained Earnings and Dividends per revenue dollar have no relation to the rate of return earned on investments

FIGURE NO. 5-14

SOURCE AND DISPOSITION OF THE GAS OPERATING REVENUE DOLLAR
(N.C. Data Only)
For the Years 1979-1983

Source:	1979	1980	1981	1982	1983
Residential	28%	24%	23%	25%	26%
Commercial	17	16	16	18	19
Industrial	35	48	41	39	36
Interruptible	15	7	15	13	13
Other	5	5	5	5	6
Total	100%	100%	100%	100%	100%

Note: The revenue dollar includes other net income and deductions, including interest charged during construction.

Disposition	1979	1980	1981	1982	1983
Cost of purchased gas	68%	75%	76%	76%	75%
Other operating expenses	10	8	7	9	8
Depreciation & Amortization	3	2	2	2	2
Income Taxes	4	3	1	1	3
General Taxes	7	7	7	7	7
Interest & Other Deductions	3	2	3	2	2
Dividends	3	2	2	2	2
Retained Earnings	2	1	2	1	1
Total	100%	100%	100%	100%	100%

FIGURE NO. 5-15

CLASS A GAS COMPANIES
INCOME STATEMENT, BALANCE SHEET, AND CUSTOMER STATISTICS
For the years 1965, 1970, 1975, 1980, 1982, 1983

Item	1965	1970	1975	1980	1982	1983	% Change 1982-1983
Number of Companies Regulated	7	5	5	5	4	4	
Number included in this data	7	5	5	5	4	4	
Income Statement (000's)							
Sales — Residential			49,823	116,671	156,545	181,539	16.0
Commercial			28,308	77,797	115,715	134,714	16.4
Industrial-Firm			37,712	235,115	250,392	258,128	3.1
Industrial-Interruptible			33,890	34,342	86,155	89,871	4.3
Other Sales			9,399	24,096	33,235	35,503	6.8
Total Sales of Gas	52,112	98,356	159,132	488,021	642,042	699,755	9.0
Other Operating Revenue	325	159	(372)	997	798	1,854	132.3
Total Gas Operating Revenues	$ 52,437	$ 98,517	$ 158,760	$ 489,018	$ 642,840	$ 701,609	9.1
Expense Items							—
Production Expense	$ 25,926	$ 51,628	$ 81,995	$ 367,455	$ 486,659	$ 530,505	9.0
Transmission Expense	960	1,909	264	395	2,300	2,385	3.7
Distribution Expense					15,942	16,844	5.7
Customer Accounts Expense					11,317	11,186	(1.2)
Sales Expense			1,258	2,396	2,838	3,086	8.7
Administrative & General Expense					17,443	19,112	9.6
Depreciation Expense	3,463	5,153	7,660	10,597	12,393	13,580	9.6
Natural Gas Storage					1,739	1,518	(12.7)
Customer Service & Informational Expense					494	404	(18.2)
Other Expense	6,730	11,688	20,323	34,520			
Total Operating Expenses Before Taxes	$ 37,079	$ 70,378	$ 111,500	$ 415,363	$ 551,125	$ 598,620	8.6
State Taxes							
Income Tax	$ 337	$ 655	$ 1,286	$ 1,353	$ 1,137	$ 1,877	65.1
Gross Receipts Tax			9,502	29,022	38,342	41,622	8.6
Property Tax	4,490	8,289	2,750	3,128	3,574	3,729	4.3
Other Operating Taxes	-		66	197	211	233	10.4
Total State Taxes	$ 4,827	$ 8,944	$ 13,704	$ 33,700	$ 43,264	$ 47,461	9.7
Federal Taxes							
Income Tax	$ 2,539	$ 4,512	$ 9,053	$ 6,345	$ 4,694	$ 11,188	138.3
Provision for Deferred Taxes			2,354	3,435	6,925	5,376	(22.4)
Income Tax Deferred in Prior Years			(13)	(9)	(13)	(12)	(7.7)
Investment Tax Credit			208	2,637	2,342	2,173	(7.2)
Payroll, Unemployment & Other Federal Taxes	200	1,118	866	1,461	2,305	2,214	(3.9)
Total Federal Taxes	$ 2,739	$ 5,630	$ 12,468	$ 13,869	$ 16,253	$ 20,939	28.8
Total State & Federal Taxes	$ 7,566	$ 14,574	$ 26,172	$ 47,569	$ 59,517	$ 68,400	14.9
Total Operating Expenses	$ 44,645	$ 84,952	$ 137,672	$ 462,932	$ 610,642	$ 667,020	9.2
Net Operating Income	$ 7,792	$ 13,565	$ 21,088	$ 26,086	$ 32,198	$ 34,589	7.4
Other Income & Expenses							
Other Income	$ 234	$ 1,003	$ 438	$ 3,013	$ 673	$ 3,613	436.8
Allowance for Funds Used During Construction			484	99	469	306	(34.8)
Deductions from Income			53	256	616	526	(14.6)
Total Other Income & Expense	$ 234	$ 1,003	$ 869	$ 2,856	$ 526	$ 3,393	545.1
Fixed Charges							
Interest on Funded Debt	$ 3,879	$ 6,428	$ 7,790	$ 9,348	$ 9,189	$ 11,418	24.3
Other Fixed Charges	153	1,359	948	2,915	6,238	3,759	(39.7)
Allowance for Borrowed Funds Used During Construction					$ (149)	$ (158)	—
Total Fixed Charges	$ 4,032	$ 7,787	$ 8,738	$ 12,263	$ 15,278	$ 15,019	(1.7)
Extraordinary Items					$ (153)	—0—	—0—
Net Income	$ 3,994	$ 6,781	$ 13,219	$ 16,679	$ 17,293	$ 22,963	32.8
Balance Sheet (000's)							
Assets							
Utility Plant in Service	$ 138,298	$ 220,298	$ 280,163	$ 379,473	$ 447,826	$ 478,942	6.9
Depreciation Reserve	22,093	41,397	70,874	115,234	136,674	150,213	9.9
Net Plant in Service	$ 116,205	$ 178,901	$ 209,289	$ 264,239	$ 311,152	$ 328,729	5.6
Leased to Others			23	23	23	23	-0-
Held for Future Use			736	250	126	669	430.9
Construction Work in Progress			10,452	6,036	4,628	8,294	79.2
Acquisition Adjustment			(112)	(20)	450	450	-0-
Total Net Plant	$ 116,205	$ 178,901	$ 220,388	$ 270,528	$ 316,379	$ 338,165	6.9
Customer Accounts Receivable					63,328	76,918	21.5
Accounts Receivable - Associated Companies					6,012	4,674	(22.3)
Temporary Cash Investments					2,100	-0-	
Gas Stored Underground					30,423	23,139	(23.9)
Liquified Natural Gas Stored					5,188	4,595	(11.4)
Deferred Cost of Purchased Gas					6,425	9,109	41.8
Investment in Subsidiary Company					2,414	4,789	98.4
Prepayments					2,494	347	(86.1)
Miscellaneous Current & Accrued Assets					7,671	6,801	(11.4)
Other Assets					20,391	26,764	31.3
Total Assets					$ 462,825	$ 495,301	7.0

FIGURE NO. 5-15 (Continued)

Item	1965	1970	1975	1980	1982	1983	% Change 1982-1983
Liabilities & Stockholder s Equity							
Preferred Stock					9.964	4.805	(51.8)
Common Stock					9.037	12.937	43.2
Premium on Capital Stock					29.470	32.098	8.9
Other Paid in Capital					21.351	23.261	8.9
Other Capital Surplus					39	-0-	—
Capital Stock Expense					(294)	(257)	(12.6)
Retained Earnings					73.302	83.323	13.7
Total Stockholders Equity					142.869	156.167	9.3
Total Long-Term Debt					116.233	122.970	5.8
Short Term Obligations					50.318	45.616	(9.3)
Accounts Payable					55.021	62.329	13.3
Taxes Accrued					14.748	16.292	10.5
Matured Long Term Debt					3.906	1.850	(52.6)
Refunds Payable					3.150	4.097	30.1
Accumulated Deferred Income Taxes					40.084	45.139	12.6
Accumulated Deferred Investment Tax Credits					15.312	18.010	17.6
Miscellaneous Current & Accrued Liabilities					2.906	4.299	47.9
Operating Reserves					45	75	66.7
Other Liabilities					18.233	18.457	1.2
Total Liabilities and Stockholder s Equity					$ 462.825	$ 495.301	7.0
Balance Sheet Items (Systemwide) (000's)							
Long-term Debt	$ 94.565	$ 143.161	$ 146.661	$ 148.905	$ 134.182	$ 143.230	6.7
Retained Earnings	$ 9.442	$ 24.224	$ 48.294	$ 72.006	$ 84.233	$ 94.818	12.6
Total Capitalization	$ 143.994	$ 223.838	$ 258.189	$ 299.888	$ 292.129	$ 319.856	9.5
Long-term Debt % of Total Capitalization	65.7%	64.0%	56.8%	49.7%	45.9%	44.8%	(2.4)
Average Number of Common Shares Outstanding	5.443	6.156	7.115	8.432	8.497	8.793	3.5
Earnings Per Average Common Share Outstanding (after preferred dividends)	$ .75	$ 1.24	$ 1.99	$ 2.37	$ 2.15	$ 2.94	36.7
Customer and Miscellaneous Data (N.C. data)							
Average Annual Use - Residential Customers	93	116	95	97	89	86	(3.4)
Total Residential Customers (Average Annual Count)	145.080	208.712	255.339	294.343	314.108	324.569	3.3
Grand Total - All Types Customers	185.387	262.286	314.563	349.298	371.720	384.154	3.3
Average Number Full-time Employees	1.410	1.851	1.764	2.067	2.257	2.277	.9
Total Salaries & Wages Paid Employees ($-000's)	$ 7.751	$ 13.539	$ 17.216	$ 33.085	$ 41.648	$ 43.887	5.4
Average Annual Compensation Per Employee	$ 5.497	$ 7.315	$ 9.760	$ 16.006	$ 18.453	$ 19.274	4.4

VI. The Communications Industry

Telephone, Western Union, Radio Common Carrier

A. BRIEF REVIEW OF THE TELEPHONE INDUSTRY—GENERAL

At December 31, 1983, there were sixteen Class A & B and four Class C & D telephone companies under the jurisdiction of the North Carolina Utilities Commission. Five of the telephone companies under North Carolina jurisdiction also have operations in other states. These companies include ALLTEL Carolina Telephone Company, Central Telephone Company, Continental Telephone of Virginia, General Telephone of the Southeast, and Southern Bell Telephone and Telegraph Company.

Description of the Divestiture Transaction of American Telephone & Telegraph Company (AT&T)

Background

On August 24, 1982, Judge Harold H. Greene of the U.S. District Court for the District of Columbia approved and entered a consent decree entitled the "Modification of Final Judgment" (Consent Decree), which arose out of antitrust litigation brought by the Department of Justice (DOJ), and was agreed to by AT&T and the DOJ with certain modifications which the Court has required. On February 29, 1983, the United States Supreme Court affirmed the Consent Decree. Judge Greene's decision was based largely on the public interest doctrine of fairness.

Under the terms of the Consent Decree, AT&T had to divest itself, in accordance with the terms of the Plan, of ownership of the portions of the Bell operating companies (BOC) that relate to exchange telecommunications, exchange access functions, and printed directory advertising, as well as AT&T's cellular advanced mobile communications service business. Cincinnati Bell, Inc., and The Southern New England Telephone Company, in which AT&T holds minority interests, are not included in the divestiture requirement. AT&T retained ownership of AT&T Communications, Western Electric, Bell Laboratories, AT&T Information Systems, AT&T International, and those portions of the BOCs which provide interexchange service and customer premises equipment. The divestiture was effective January 1, 1984, and the new parent company serving North Carolina is Southern Bell Telephone and Telegraph Company, a subsidiary of BellSouth Corporation, one of seven regional holding companies formed after divestiture and independent of AT&T and of each other. Other state service areas of Southern Bell are Florida, Georgia, and South Carolina.

Following is a list of the Telephone Holding Companies and their wholly owned or controlled operating telephone companies, which were under Commission regulation as of December 31, 1983:

Parent Holding Company	Operating Telephone Company
American Tel. & Tel. Co. (1)	Southern Bell Tel. & Tel. Co.
Centel Corporation	Central Telephone Company
Continental Tel. Co.	Cont. Tel. Co. of North Carolina
	Cont. Tel. Co. of Va. (Serves Knotts Island, N.C.)
Gen. Tel. & Electronics	Gen. Tel. Co. of the Southeast
Mid-Continent Tel. Co.	ALLTEL Carolina Tel. Co.
	Sandhill Tel. Co.
T.D.S. Incorporated (Telephone & Data Systems, Inc.)	Barnardsville Tel. Co.
	Service Telephone Co.
United Telecommunications, Inc.	Carolina Tel. & Tel. Co.

(1) Effective January 1, 1984, under the Divestiture Consent Decree the parent holding company for Southern Bell Telephone and Telegraph Company will be BellSouth Corporation, one of the seven (7) regional holding companies created to accomplish the required divestiture.

B. CUSTOMER GROWTH AND IMPACT ON PLANT INVESTMENT

The regulated utilities had a total of 2,447,116 access lines in service as of December 31, 1983. This was an increase of 2.3% from 1982 with 2,391,651 total access lines. Figure No. 6-3 shows total telephones by companies for the years 1960, 1965, 1970, 1975, 1980, and 1981. Figure No. 6-4 shows access lines for the years 1982 and 1983. In 1982 the telephone industry changed its system of reporting the number of telephones served by each company to the number of access lines. For a definition of access line see Figure No. 6-5. In 1983 Southern Bell Telephone and Telegraph Company continued to serve approximately 51%, and Carolina Telephone and Telegraph continued to serve 25% of the total customers in North Carolina.

The installation of additional main station telephones required additional investment. For example, in installing an additional instrument, provisions must be made for central office equipment, circuits, and lines to accommodate the traffic potential of the installation. The telephone companies attempt to maintain a plant margin of reserve for growth and maintenance for at least six to eighteen months for central office equipment. For other types of plants, the companies strive for a margin of reserve of greater

duration depending on the type of construction and the economics involved in such construction. The telephone companies generally attempt to engineer for a three-year growth in outside cable plant facilities and for a one- to two-year growth factor in central office equipment. Unlike other industries, increased volume and increased installations do not necessarily mean increased profits for the telephone utilities. In many instances increased volume can mean less net earnings where the unit costs of servicing the investment exceeds additional unit revenue derived. This is particularly true in sparsely populated areas requiring high investment per station. The same unit profit squeeze may also be evident in meeting demands for higher grades of service; for example, because of rate differentials where a subscriber who had been receiving four-party service asks for and receives a one-party service the increased revenue per unit may not keep pace with the additional investment and expense.

C. DEMANDS FOR SERVICE

The telephone companies in North Carolina for several years have been faced with an enormous challenge in meeting demands for service. However, as more and more telephone service is extended throughout the state, the overall problem changes somewhat from satisfying demands for service, on which the Commission and the companies have placed special emphasis, to satisfying demands for better quality and upgraded service.

D. EXTENDED AREA SERVICE (EAS)

Extended Area Service is the industry term applied to the extension of local calling from one telephone exchange to and from another exchange without a toll charge being levied. Extended area coverage was approved for five companies in 1982, two companies in 1983, and four companies in 1984.

E. TELEPHONE RATES—COMMENTS

Local Exchange Rates

These are the monthly charges for basic telephone service as fixed by the Commission. These rates are divided between residential and commercial telephones and are graduated upward from four-party to single-party service. Local exchange rates for a particular company are fixed on a companywide basis according to the calling scope of the particular exchange; i.e., the number of main stations and PBX trunks in an exchange which a single subscriber may telephone without toll charge. These rate groupings are not standard among the companies. Figure No. 6-6 shows rate groupings with rates for the regulated telephone companies.

The practical result of the foregoing "value of service principle" is that a company's subscribers in an urban area will pay a higher monthly local exchange rate than the same company's subscribers in a community having a substantially smaller number of telephones that can be called without a toll charge. Thus, unlike electric and natural gas utilities which have standard rates applicable to a customer classification companywide, the telephone companies have different rates for basic service depending upon the telephone population or calling scope in the particular exchange. Telephone rates also vary substantially between companies and states. Figure No. 6-7 shows local service telephone monthly rates for selected out-of-state exchanges. The out-of-state companies shown were selected mainly because exchange sizes and population are comparable to North Carolina. The use of this data for comparative purposes is limited and must be used with discretion. It illustrates the wide disparities in rates between companies and states.

Toll Charges

Calls between two separate exchanges are "long distance" or toll charge calls, unless arrangements have been made for extended area (toll-free) service. Intrastate toll charges in North Carolina are uniform throughout the State. See Figure No. 6-8.

Two- and Four-Party Service

Two-party and four-party service in North Carolina was 3.5% of total lines in 1982 and has been reduced to 2.0% of the total lines in 1983.

Five- and Multi-Party Services

The number of five- and multi-party services in the State was reduced to -0- and 46, respectively, during 1978 and was completely eliminated during the 1979-80 period.

Service Charges

These are the charges made for installing, moving, and changing telephone instruments. These charges have been increased for some companies in the past few years mostly in rate case proceedings to make them more cost-related. Figure No. 6-1 shows some typical charges by selected companies for various services relating to installing a telephone.

Special Charges

Certain special equipment, such as key systems and private branch exchange systems, require special rates and special consideration by the Commission. These rates are fixed individually on a case-by-case and company-by-company basis and vary widely because of variances in equipment and operating characteristics.

F. RATE INCREASES APPROVED

During 1983, as in the past, much time was required in formal hearings for telephone com-

panies. Preparation and local hearing time effort associated with the general rate proceedings increased the Commission workload more than any other single telephone matter. In 1983 thirty-six percent of the amount requested by the telephone companies was granted in general rate proceedings. Details of the general rate increases for 1983 are shown in Figure No. 6-2.

G. WESTERN UNION OFFICES

In recent years, as large businesses made growing use of their telex and TWX terminal capability for originating telegrams, and as smaller businesses and the general public increasingly availed themselves of telephone convenience for sending their telegrams, the need for independent offices and branches owned by Western Union steadily declined in the United States and in North Carolina. For example there were 860 such offices in 1971 nationwide and 25 in North Carolina, and in 1983 they have declined to 144 and 5 respectively. Less than 10% of public message traffic is accepted over the counter; and most of that traffic is money order business.

The number of agency or commission offices have remained fairly constant. They are most often small "mom and pop operations by persons other than employees o Western Union. In 1971 there were 6,913 of these type operators nationwide and 249 in North Carolina.

The following illustrates the number of Western Union offices in the United States and in North Carolina:

	United States		North Carolina	
	1982	1983	1982	1983
Independent Offices & Branches	148	144	5	5
Joint Offices	0	0	0	0
Agency or Commission Offices	5840	6123	217	224
Total	5988	6267	222	229

As of August 3, 1982, the Utilities Commission no longer regulates The Western Union Telegraph Company (Docket No. WU 111).

H. RADIO COMMON CARRIERS

There are thirteen Radio Common Carriers (RCCs) certified to operate in North Carolina. These RCCs provide two-way mobile telephone service and one-way radio paging service to approximately 15,000 units within the State. The services offered by RCCs generally include automatic dial as well as manual operation for mobile units and pagers. Interconnection with the landline telephone network is provided in order to permit direct communications between landline telephones and RCC mobile/paging units.

The growth of RCC two-way mobile units has been hampered by the limited number of VHF radio channels available from the Federal Communications Commission (FCC). While the demand for RCC service has been increasing in the metropolitan areas, the limited number of radio channels has restricted the number of subscribers an RCC could serve and still maintain an acceptable quality of service. It is anticipated that most future mobile telephone growth will have to be met through the use of higher frequency channels in the 450 MHz or 900 MHz bands.

During 1982 the Commission granted a general rate increase to Anser-Quik Enterprises, Inc. There were no general rate cases for the thirteen radio common carriers in 1983.

Cellular Radio Technology

Two-way mobile radio service is now provided by mobile radio carriers. It may be described as "party-line" service, much of it manually dispatched and its grade of service is poor due to present FCC channel loading criteria. Two-way service is not of the efficiency and speed now needed by the public. Technology is now available to enhance, improve, and add to two-way radio service. This vastly enhanced two-way service is popularly called "cellular mobile radio service." Under the "cellular" technology the number of radio base stations is expanded so that as a two-way mobile radio subscriber moves through the service area his call is automatically and instantly "handed off" from one base station to another so that a subscriber may originate and terminate calls from any point within the service area. Two or more callers can share the facilities simultaneously. Central switching equipment automatically routes calls through interconnection with the land-line telephone network so that mobile-to-land and land-to-mobile calls can be completed, as well as mobile-to-mobile calls. Unlike the conventional two-way calling now offered by most of the mobile radio common carriers in their franchised areas, the "cellular mobile radio" system has a built-in capacity to expand as public demand increases, with a grade of service comparable to land-line telephone service.

The Federal Communications Commission, which allocates frequencies, grants facility construction permits, and licenses facilities involved in one-way and two-way mobile radio systems, has identified ninety markets (Cellular Geographic Service Area [CGSA]) nationwide in which the public demand and need will justify cellular enhancement. Accordingly the FCC has allocated two 20 MHz groups of channels to each market. Initially one license will be available to radio common carriers. During 1984 the following companies have applied for FCC licenses and certificates from the North Carolina Utilities Commission enabling them to offer cellular services:

	Date Filed for N.C. Certificate
ALLTEL Cellular Associates of the Carolinas	6-29-84
Raleigh-Durham MSA Limited Partnership	11-13-84
Centel Cellular Co. of North Carolina	12-7-84

I. SOURCE AND DISPOSITION OF REVENUES—COMMENTS

The telephone companies derived about 44.2% of their revenues from local charges, 51.8% from toll charges, and 4.0% from miscellaneous services in 1983 compared to 44.6%, 52.0%, and 3.4% in 1982. These ratios have not changed drastically on a year-to-year basis, but the long-term trend (1965-1983) was an increasing amount from toll service. However, as shown on Figure 6-9, toll revenue is producing a consistent percentage of total revenue; 54.0% in 1980, 53.8% in 1981, 52.0% in 1982, and 51.8% 1983.

The components of the disposition of the revenue dollar as shown on Figure No. 6-9 indicates that for the year 1983 compared to 1982 operating expenses and interest decreased while income taxes, dividends, depreciation, and retained earnings all increased slightly.

J. PLANT INVESTMENTS—COMMENTS

The regulated telephone companies increased gross plant investment in North Carolina 9.6% in 1978, 9.2% in 1980, 7.0% in 1982, and 6.0% in 1983. These increases represent investments of $266 million in 1978, $281 million in 1980, $253 million in 1982 and brings the total gross investment at December 31, 1983, to $4,351,511,000.

Figure No. 6-10 shows investment per access line 1982 and 1983 on a North Carolina industrywide basis. Figure No. 6-11 shows investment per telephone for the regulated telephone companies for the years 1960, 1965, 1970, 1975, 1980, and 1981. Figure No. 6-12 shows the investment per access line as of December 31, 1982, and 1983. The information shown in Figure No. 6-12 indicates the variances in this important cost element of providing telephone service, and these variances in plant cost contribute to the variances in telephone rates between companies.

K. STATISTICAL SUMMARY DATA

Total operating revenues of the telephone companies increased in 1983 over 1982 by a total of 7.3%. Operating expenses increased by 6.4% in 1983, and net operating income increased 11.5% for the same period. Salaries and wages increased by 3.1% in 1983 over 1982. Total salaries and wages paid by the telephone companies in 1983 were more than $506 million compared to $490 million in 1982. The total average number of employees decreased to 20,106 in 1983 from 21,254 in 1982, a decrease of 5.4%. A detailed account of these and other selected items is shown in Figure No. 6-13.

FIGURE NO. 6-1

CHARGES FOR VARIOUS TELEPHONE INSTALLATION SERVICES
IN EFFECT APRIL 30, 1983

	Carolina		Citizens		Southern Bell	
	Residence	Business	Residence	Business	Residence	Business
Service Order	$ 18.80	$ 23.65	$ 16.40	$ 25.10	$ 29.00	$ 45.25
Premises Visit	6.10	9.50	7.80	7.80	10.00	10.00
Central Office Work	5.25	5.50	7.50	8.20	18.00	25.00
Line Work	—	—	—	—	—	—
Inside Wiring	11.60	15.15	6.00	7.50	15.00	25.00
Jack	7.00	7.00	4.60	4.60	6.50	6.50
Equipment Work	5.50	12.25	4.35	6.15	6.00	8.00
Totals*	$ 54.25	$ 73.05	$ 46.65	$ 59.35	$ 84.50	$ 119.75

	Heins		Ellerbe		Cont. Tel. of N.C.	
	Residence	Business	Residence	Business	Residence	Business
Service Order	$ 19.00	$ 23.00	$ 12.00	$ 14.00	$ 23.00	$ 23.00
Premises Visit	8.00	9.00	5.00	6.00	7.00	7.00
Central Office Work	5.00	6.00	3.00	3.00	22.00	22.00
Line Work	—	—	—	—	—	—
Inside Wiring	10.00	14.00	4.00	7.00	18.00	42.00
Jack	—	—	2.00	2.00	3.00	3.00
Equipment Work	5.00	7.00	2.00	2.00	14.00	14.00
Totals*	$ 47.00	$ 59.00	$ 28.00	$ 34.00	$ 87.00	$ 111.00

*These are typical charges made for the installation of one main station at a new location

FIGURE NO. 6-2

GENERAL RATE INCREASES APPROVED FOR TELEPHONE COMPANIES
FOR THE YEAR ENDED 1983

Company	Date Filed	Docket Number	Amount Requested (000s)	Amount Approved (000s)	% Approved of Amount Requested	Date of Final Order
Carolina Tel. & Tel. Company	8-30-82	P-7, Sub 670	$ 24,725	$ 13,956	56.4%	3-3-83
Central Telephone Company	11-22-82	P-110, Sub 415	7,824	3,342	42.7	6-22-83
Citizens Telephone Company	8-25-82	P-12, Sub 80	1,500	721	48.1	3-31-83
Concord Telephone Company	11-19-82	P-16, Sub 146	2,675	1,897	70.9	6-17-83
Continental Telephone Co. of N.C.	4-29-83	P-128, Sub 3	5,959	3,386	56.8	11-29-83
General Telephone Co. of Southeast	2-28-83	P-19, Sub 193	9,622	2,682	27.9	9-6-83
Mid-Carolina Tel. & Tel. Company	5-13-83	P-118, Sub 27	2,099	1,505	71.7	12-13-83
Sandhill Telephone Company	11-12-82	P-53, Sub 47	457	131	28.7	6-6-83
Service Telephone Company	2-26-82	P-60, Sub 45	74	35	47.3	1-31-83
Southern Bell Telephone & Telegraph Company	2-8-83	P-55, Sub 816	122,472	36,666	29.9	9-14-83
Total			$ 177,407	$ 64,321	36.3%	

FIGURE NO. 6-3

TELEPHONE COMPANIES OPERATING IN NORTH CAROLINA
NUMBER OF TOTAL TELEPHONES IN SERVICE, EXCHANGES, AND DENSITY DATA
AT YEAR END FOR 1960, 1965, 1970, 1975, 1980, & 1981

Class A & B	Number of Total Telephones in Service						Number of Exchange					Number Phones Per 100 Population		Number Phones Per Square Mile Area		% Household in Area Served Housing Phones		Average Number Employees Per Company	
	1960	1965	1970	1975	1980	1981	1965	1970	1975	1980	1981	1980	1981	1980	1981	1980	1981	1980	1981
Carolina Tel. & Tel. Co.[1]	244,716	348,295	527,190	779,464	982,532	910,456	137	143	146	146	145	56	53	50	48	88	89	5,511	5,420
Central Telephone Co.	74,072	101,508	142,461	191,600	241,597	232,384	39	35	43	43	43	54	52	77	74	89	87	1,132	1,107
Citizens Telephone Co.	3,462	5,919	8,704	12,133	15,968	16,530	3	3	4	4	4	71	73	42	44	94	95	72	65
Concord Telephone Co.	34,992	44,308	56,365	72,353	93,740	97,382	9	9	9	9	9	67	68	133	138	96	96	334	336
Continental Tel. of N.C.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Ellerbe Telephone Co.	574	743	1,084	1,535	2,003	2,088	1	1	1	1	1	48	50	8	8	85	85	8	8
General Tel. Co. of the Southeast[3]	43,943	65,363	97,469	124,839	162,054	167,473	5	5	5	5	5	66	84	203	199	91	91	1,720	1,734
Heins Telephone Co.	8,284	11,267	15,825	22,130	30,087	31,263	3	3	3	3	3	66	65	64	67	95	96	165	162
Lexington Telephone Co.	9,049	12,006	17,082	22,248	28,825	29,873	3	3	3	3	3	59	61	139	144	90	N/A	173	173
Mebane Home Telephone Co.	1,903	2,571	3,665	5,502	6,877	7,069	1	1	1	1	1	40	40	46	46	75	75	22	22
Mid-Carolina Telephone Co.[4]	21,830	33,016	51,810	77,742	108,747	113,738	24	26	26	26	26	36	38	49	52	89	90	311	313
North State Telephone Co.	37,221	48,237	64,662	86,473	113,740	114,752	3	3	3	3	3	52	74	193	200	87	92	476	476
Pineville Telephone Co.[5]	—	—	—	2,177	2,185	—	—	—	—	1	1	109	109	2,177	22	98	98	14	12
Randolph Telephone Co.	1,026	1,398	2,104	2,847	3,773	3,795	1	1	1	1	1	53	53	46	46	89	95	15	14
Sandhill Telephone Co.	1,341	1,743	2,526	3,624	5,225	5,381	2	2	2	2	2	73	74	100	102	95	97	12	12
Southern Bell Tel. & Tel. Co.[6]	670,413	886,620	1,253,681	1,763,783	2,246,942	2,285,163	92	93	94	95	95	83	80	186	189	87	87	11,254	11,400
Westco Telephone Co.	—	8,709	16,881	24,645	34,019	34,399	13	15	15	15	15	36	36	16	17	76	76	—	—
Western Carolina Tel. Co.[7]	16,216	15,489	27,496	42,181	57,578	57,771	13	12	12	11	11	35	35	32	32	80	82	449	449
Totals Class A & B	1,169,042	1,587,192	2,289,005	3,233,099	4,135,884	4,111,702	349	355	368	369	368	67*	66*	93*	93*	88**	89**	21,668	21,703
Class C & D																			
Barnardsville Telephone Co.	186	293	354	613	876	911	1	1	1	1	1	44	46	7	7	85	85	3	3
Continental Tel. Co. of Virginia	42	48	184	339	452	465	1	1	1	1	1	35	35	30	31	60	61	N/A	N/A
Saluda Mountain Tel. Co.	290	373	520	833	1,320	1,365	1	1	1	1	1	68	69	19	19	85	85	3	5
Service Telephone Co.	367	468	600	915	1,461	1,494	1	1	1	1	1	58	60	42	43	80	80	4	4
Totals Class C & D	885	1,182	1,658	2,700	4,109	4,235	4	4	4	4	4	53*	54*	17*	17*	78**	77**	10	12
Grand Totals	1,169,927	1,588,374	2,290,663	3,235,799	4,139,993	4,115,937	353	359	372	373	372	67*	66*	93*	93*	86**	83**	21,678	21,715
United States Totals[8]	77,813,000	93,659,000	120,783,300	148,623,000	180,180,00	181,551,000													
Special Service & Private Lines	22,903	27,216	38,752	41,555	36,753	43,602													

[1]United Telephone Company of the Carolinas, Inc., merged with Carolina Telephone and Telegraph Company November 1, 1978. All figures for United for the period 1960-1978 are included in Carolina.

[2]Morris Telephone Company merged with Central Telephone Company November 4, 1965. All figures for Morris for 1965 and prior years are included in Central. Lee Telephone Company merged with Central March 6, 1973. All figures for Lee for 1973 and prior years are included in Central.

[3]General Telephone of North Carolina merged with General Telephone of the Southeast December 21, 1970. All figures for 1970 and prior years for General Telephone of North Carolina are included in General Telephone of the Southeast.

[4]Lilesville Telephone Company merged with North Carolina Telephone Company December 31, 1968. Eastern Rowan, Mid-Carolina, Mooresville, and Thermal Belt Telephone companies merged into Mid-Carolina Telephone Company December 10, 1973. All figures for merged companies are included in Mid-Carolina Telephone Company. North Carolina Telephone Company, and Old Town Telephone System, Inc., were merged into Mid-Carolina Telephone Company September 30, 1977. All figures for merged companies for 1977 and prior years are included in Mid-Carolina.

[5]Chapel Hill Telephone Company came under Commission jurisdiction on January 1, 1973, and was sold to Southern Bell Telephone and Telegraph Company, April 1, 1977. All figures for 1976 and prior years are included in Southern Bell.

[6]Pineville Telephone Company came under Commission jurisdiction January 1, 1976. (Docket No. P-120, Sub 1)

[7]Cooleemee Telephone Company merged with Western Carolina Telephone Company January 11, 1967, and was sold to Yadkin Valley Telephone Membership Corporation on May 16, 1978. All figures for Cooleemee for years prior to 1967 are included in Western Carolina.

[8]Norfolk & Carolina Tel. & Tel. Co. merged into Carolina Tel. & Tel. Co. December 27, 1979. All figures for Norfolk & Carolina prior to 1980 are included in Carolina Tel. & Tel. Co.

[8]Reference: Independent Telephone Statistics, U.S. Independent Telephone Association.

*Weighted Average
**Simple Average

FIGURE NO. 6-4

TELEPHONE COMPANIES OPERATING IN NORTH CAROLINA
NUMBER OF TOTAL ACCESS LINES LINES, EXCHANGES, AND DENSITY DATA
AT YEAR END FOR 1982 and 1983

Class A & B	Number of Access Lines 1982	Number of Access Lines 1983	% Change	Number of Exchanges 1982	Number of Exchanges 1983	No. Acces Lines Per 100 Population 1982	No. Acces Lines Per 100 Population 1983
ALLTEL Carolina Tel Co.[1]	68,127	70,259	3.1	26	26	22	22
Carolina Telephone Co	591,592	612,864	3.6	145	145	34	35
Central Telephone Co	152,890	157,868	3.3	43	43	34	34
Citizens Telephone Co	10,288	10,680	3.8	5	5	45	47
Concord Telephone Co	61,570	63,279	2.8	9	9	43	43
Continental Tel Co of North Carolina[2]	68,593	69,390	1.2	26	26	26	38
Ellerbe Telephone Co	1,328	1,368	3.0	1	1	31	32
General Tel Co of the Southeast	90,031	93,501	3.9	5	5	43	47
Heins Telephone Co	18,359	19,031	3.7	3	3	38	35
Lexington Telephone Co	18,801	19,251	2.4	3	3	38	39
Mebane Home Telephone Co	4,495	4,871	8.4	1	1	35	49
North State Telephone Co	67,366	69,438	3.1	3	3	43	44
Pineville Telephone Co	1,183	984	(16.8)	1	1	59	49
Randolph Telephone Co	2,467	2,545	3.2	1	1	34	35
Sandhill Telephone Co	2,999	3,043	1.5	2	2	37	39
Southern Bell Tel & Tel Co	1,228,702	1,245,824	1.4	93	95	42	42
Totals Class A & B	2,388,791	2,444,196	2.3	367	369	38	38
Class C & D							
Barnardsville Telephone Co	688	708	2.9	1	1	34	35
Continental Tel Co of Virginia	355	360	1.4	1	1	36	39
Saluda Mountain Tel Co	966	993	2.8	1	1	49	49
Service Telephone Co	851	859	1.0	1	1	34	34
Totals Class C & D	2,860	2,920	2.1	4	4	38	39
Grand Totals	2,391,651	2,447,116	2.3	371	373	38	38
United State Totals	21,672,000	22,331,000	3.0				
North Carolina as % of United States Total	11.0%	11.0%					

[1] ALLTEL Carolina Telephone Co. was formerly Mid-Carolina Telephone. The name change was approved by the Commission on 2-13-84. (P118, Sub 32)
[2] Westco Tel. Co. and Western Tel. Co. were merged into Continental Tel. Co. of North Carolina. The Commission approved the merger on 12-12-79. (P-128)

FIGURE NO. 6-4 continued

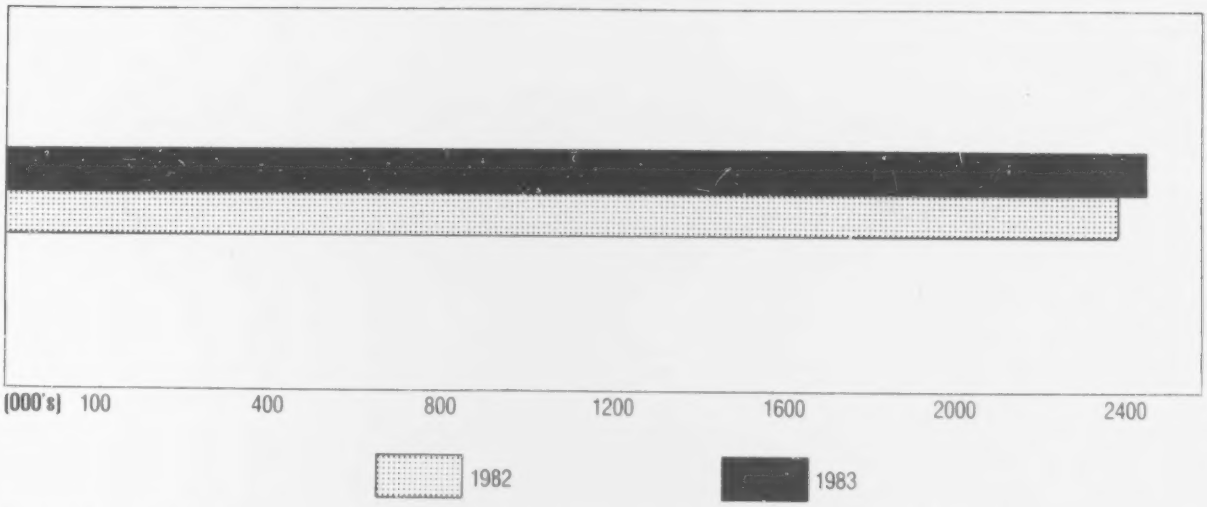
TELEPHONE COMPANIES OPERATING IN NORTH CAROLINA
NUMBER OF TOTAL ACCESS LINES LINES, EXCHANGES, AND DENSITY DATA
AT YEAR END FOR 1982 and 1983

Class A & B	No. Access Lines/Square Mile Area 1982	No. Access Lines/Square Mile Area 1983	% Households in Area Served Having Phones 1982	% Households in Area Served Having Phones 1983	Average No. Employees Per Company 1982	Average No. Employees Per Company 1983
ALLTEL Carolina Tel Co.[1]	31	32	90	87	312	303
Carolina Telephone Co	31	32	89	90	5,309	5,062
Central Telephone Co	49	50	88	80	1,049	934
Citizens Telephone Co	27	28	95	95	64	66
Concord Telephone Co	87	90	96	97	331	334
Continental Tel Co of North Carolina[2]	18	139	84	92	431	388
Ellerbe Telephone Co	5	5	86	87	9	9
General Tel Co of the Southeast	107	111	91	91	1,750	1,773
Heins Telephone Co	39	41	96	90	155	150
Lexington Telephone Co	90	93	N/A	N/A	167	164
Mebane Home Telephone Co	30	32	94	94	23	21
North State Telephone Co	117	121	91	91	472	467
Pineville Telephone Co	118	N/A	97	97	13	13
Randolph Telephone Co	30	31	86	87	12	13
Sandhill Telephone Co	58	35	97	97	12	11
Southern Bell Tel & Tel Co	102	103	84	81	11,133	10,386
Totals Class A & B	54	60	91	90	21,242	20,094
Class C & D						
Barnardsville Telephone Co	5	6	85	85	3	3
Continental Tel Co of Virginia	13	13	61	91	—	—
Saluda Mountain Tel Co	14	17	85	88	5	5
Service Telephone Co	24	25	80	80	4	4
Totals Class C & D	11	12	77	86	12	12
Grand Totals	54	60	84	88	21,254	20,106

[1] ALLTEL Carolina Telephone Co. was formerly Mid-Carolina Telephone. The name change was approved by the Commission on 2-13-84. (P118, Sub 32)
[2] Westco Tel. Co. and Western Tel. Co. were merged into Continental Tel. Co. of North Carolina. The Commission approved the merger on 12-12-79. (P-128)

FIGURE NO. 6-5

ACCESS LINES IN SERVICE AS OF DECEMBER 31, 1982 AND 1983
(N. C. Data Only)



Access Line — A telephone company facility which allows access to and/or from the exchange network. Access line includes the following categories of service: individual line, two-and four-party service, key trunk, rotary line, PBX trunk, centrex trunk, 800 service and outwats (interstate and intrastate), L.D. trunk (toll terminal), foreign exchange, semi-public, public, mobile telephone, and service station (farmer line.) The total number of access lines in service at December 31, 1983, were 2,447,116 compared to 2,391, 651 access lines at the end of 1982. (P-100, Sub 58)

FIGURE NO. 6-6

TELEPHONE RATES
MONTHLY FLAT RATES BY CALLING SCOPE GROUPINGS
FOR ONE-PARTY BUSINESS AND RESIDENTIAL SERVICE
AS OF JUNE 30, 1983

CALLING SCOPE AND RELATED MONTHLY FLAT RATES

Class A & B	1-1000 Bus. - Res.	1001-1400 Bus. - Res.	1401-2000 Bus. - Res.	2001-2800 Bus. - Res.	2801-4000 Bus. - Res.	4001-5600 Bus. - Res.	5601-8000 Bus. - Res.	8001-11,200 Bus. - Res.
Carolina Telephone Company	$16.25 - 6.75	16.85 - 7.05	17.50 - 7.30	18.25 - 7.60	18.95 - 7.90	19.45 - 8.10	20.10 - 8.40	20.75 - 8.65
Central Telephone Company	21.95 - 8.61	22.48 - 8.82	23.00 - 9.03	23.52 - 9.24	24.05 - 9.45	24.57 - 9.65	25.10 - 9.87	25.62 - 10.08
Citizens Telephone Company							25.85 - 10.20	
Ellerbe Telephone Company			21.00 - 11.00					
Sandhill Telephone Company							11.10 - 5.90	
Southern Bell Telephone Company							31.07 - 11.86	
Class C & D								
Barnardsville Telephone Company	$15.75 - 9.55							
Service Telephone Company					18.65 - 7.55			

Class A & B	11,201-16,000 Bus. - Res.	16,001-22,400 Bus. - Res.	22,401-32,000 Bus. - Res.	32,001-44,800 Bus. - Res.	44,801-64,000 Bus. - Res.	64,001-89,600 Bus. - Res.	89,601-up Bus. - Res.
Carolina Telephone Company	$21.40 - 8.90	22.05 - 9.20	22.70 - 9.45	23.35 - 9.75	24.00 - 10.00	24.65 - 10.30	25.40 - 10.60
Central Telephone Company	26.15 - 10.20	26.67 - 10.50	27.20 - 10.71	27.72 - 10.92	28.24 - 11.13	28.77 - 11.34	29.29 - 11.55
Concord Telephone Company			19.20 - 7.50	21.00 - 8.20			25.30 - 9.35
General Telephone of the Southeast	27.70 - 11.25					30.80 - 12.35	
Heins Telephone Company	15.95 - 6.35						
Lexington Telephone Company			20.65 - 8.25				
Mebane Home Telephone Company	23.00 - 9.15						
Randolph Telephone Company							21.90 - 8.70
Sandhill Telephone Company	14.95 - 6.95						
Southern Bell Telephone Company	32.67 - 12.45		33.38 - 12.74	34.21 - 13.10	35.16 - 13.45	35.99 - 13.81	37.89 - 14.41
Class C & D							
Continental Tel. Company of Virginia	$						23.00 - 12.75

"Calling Scope" is the number of main station telephone and PBX trunks that can be called without paying a toll charge. The above rates are applicable to customers being served from exchanges having a total number of main stations and PBX trunks within the ranges indicated.

FIGURE NO. 6-7

LOCAL SERVICE TELEPHONE MONTHLY RATES
SELECTED EXCHANGES SERVING CITIES OF 50,000 POPULATION OR MORE
IN EFFECT DECEMBER 31, 1983

COMPANY	EXCHANGE AND/OR CITY	STATE	MONTHLY FLAT RATES 1-PARTY SERVICE	
			Business	Residence
Central Telephone Co.	Las Vegas	Nevada	$17.10	$ 6.45
Chesapeake & Potomac Tel. Co. of U.S.	Lynchburg	Virginia	23.22	9.08
General Tel. Co. of California	Escondido	California	18.35	7.40
General Tel. Co. of Indiana	Terre Haute	Indiana	38.23	13.99
General Tel. Co. of Kentucky	Lexington	Kentucky	39.96	14.61
General Tel. Co. of the Southeast	Durham	N.C.	30.80	12.35
Lincoln Tel. & Tel. Co.	Lincoln	Nebraska	33.00	9.35
Central Telephone Co. of Ohio	Lorain	Ohio	24.35	11.15
Mountain States Tel. & Tel. Co.	Tucson	Arizona	22.27	9.21
New England Tel. & Tel. Co.	Portland	Maine	27.52	10.49
New York Telephone Co.	Rome	New York	30.74	10.02
North State Telephone Co.	High Point	N.C.	9.50	4.50
Northeastern Bell Tel. Co.	Council Bluffs	Iowa	29.05	11.15
Pacific Northwest Bell Tel. Co.	Salem	Oregon	36.10	13.05
Pacific Tel. & Tel. Co., Inc.	Salinas	California	16.05	6.70
South Central Bell Tel. Co.	Gadsden	Alabama	36.20	13.70
Southern Bell Tel. & Tel. Co.	Asheville	N.C.	30.41	11.67
Southern Bell Tel. & Tel. Co.	Charlotte	N.C.	33.03	12.48
Southern Bell Tel. & Tel. Co.	Greensboro	N.C.	32.02	12.18
Southern Bell Tel. & Tel. Co.	Raleigh	N.C.	33.03	12.48
Southern Bell Tel. & Tel. Co.	Winston-Salem	N.C.	32.02	12.18
Southern New England Tel. Co.	New Haven	Conn.	34.85	12.40
Southwestern Bell Tel. Co.	Corpus Christi	Texas	20.55	8.80
General Tel. Co. of Illinois	Bloomington	Illinois	17.74	10.54
Northwestern Bell Tel. Co.	Duluth	Minnesota	32.90	12.56

Source: NARUC Booklet "Exchange Service Telephone Rates," December 31, 1983.

FIGURE NO. 6-8

NORTH CAROLINA INTRASTATE TELEPHONE TOLL RATES IN EFFECT JANUARY 1, 1984

RATE MILEAGE	DAY	
	INITIAL 1 MINUTE	EACH ADDITIONAL MINUTE
0-10	$ .18	$ .11
11-16	.22	.14
17-22	.25	.17
23-30	.30	.20
31-40	.43	.26
41-55	.48	.30
56-70	.50	.32
71-124	.52	.35
125-196	.53	.37
197-292	.56	.39

Additional Charges

The following charges are in addition to the Basic Rate Table above when the call is placed using the following operator services:

	Charge Per Call
a. STATION	
(a) Customer Dialed Credit Card	$ .50
(b) All other	1.25
b. PERSON	
(a) All calls	$2.50

Rate Discounts and Application Periods

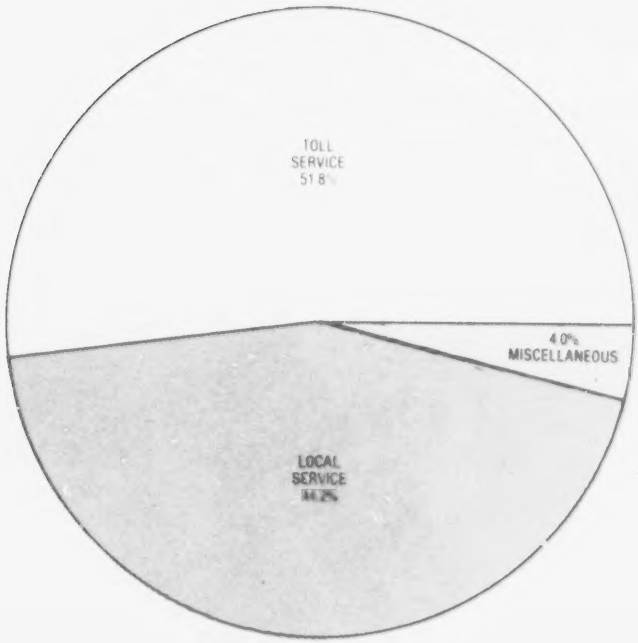
	MON	TUES	WED	THURS	FRI	SAT	SUN
8:00 AM to 12:00 Noon	Day Rate Period — FULL RATE						
12:00 Noon to 1:00 PM	Daytime Savings Rate Period — 25% Discount						
1:00 PM to 5:00 PM	Day Rate Period — FULL RATE						
5:00 PM to 11:00 PM	Evening Rate Period — 25% Discount						Eve. 25%
11:00 PM to 8:00 AM	Night & Weekend Rate Period — 50% Discount						

DISCOUNTS
Discounts apply equally to total charges for all messages with total fractional amounts rounded down to the lower cent. Discounts do not apply to add on charges for Customer Dialed Credit Card, Other Operator Station or Person Charges.

FIGURE NO. 6-9

SOURCE AND DISPOSITION OF THE REVENUE DOLLAR
TELEPHONE COMPANIES
NORTH CAROLINA OPERATIONS ONLY

SOURCE 1983



DISPOSITION 1983

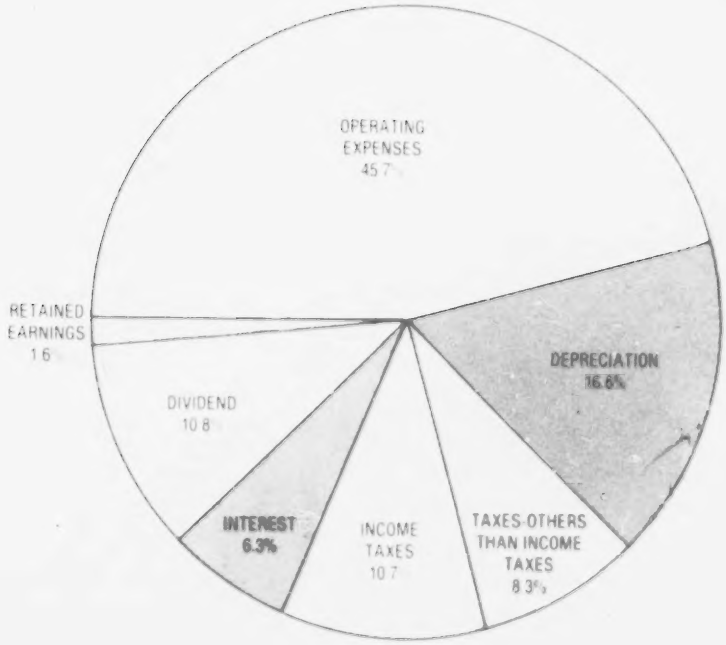


FIGURE NO. 6-10

TELEPHONE COMPANIES' PLANT INVESTMENT PER
ACCESS LINE WITH PERCENT INCREASE 1983 OVER 1982
(N. C. Data Only)

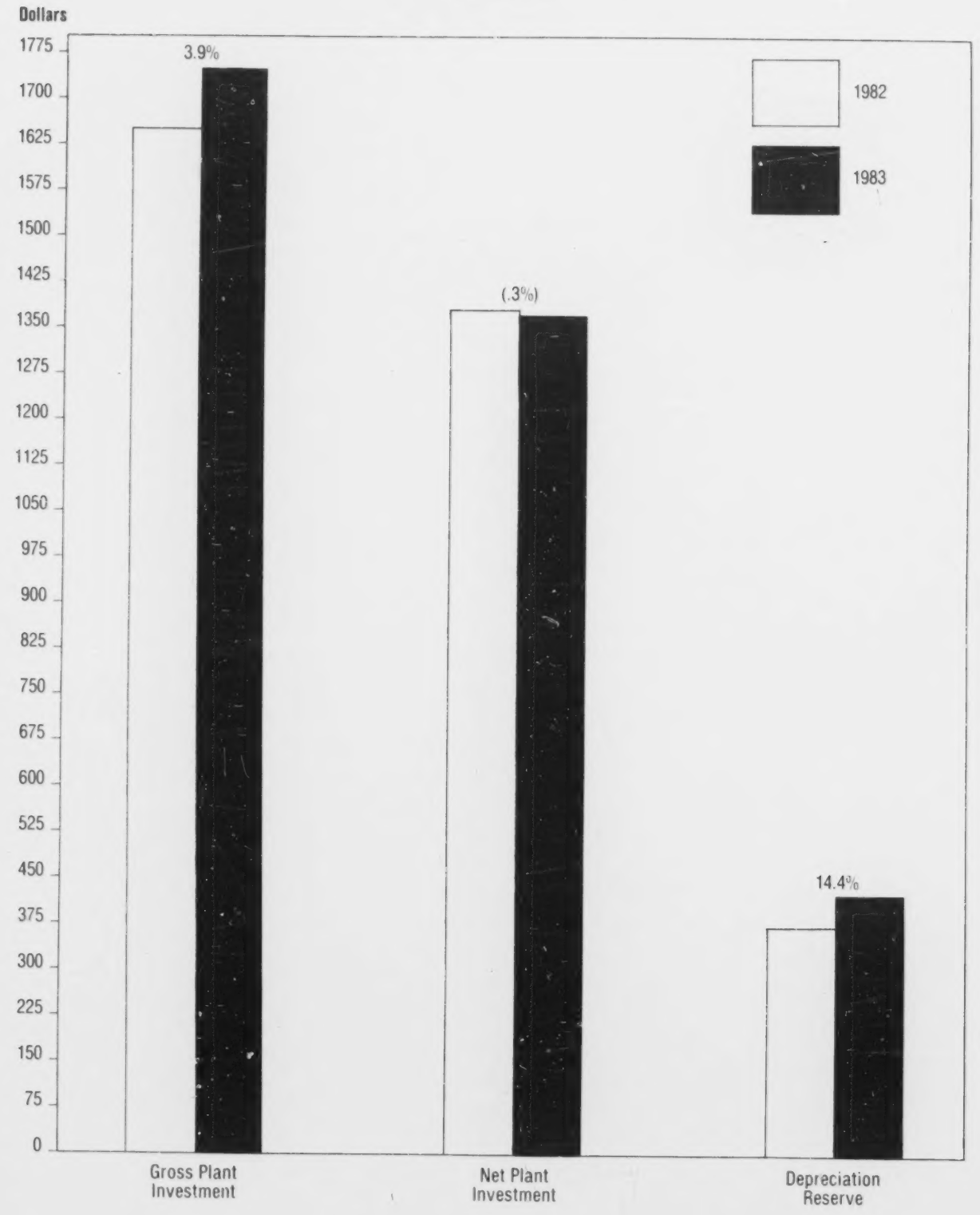


FIGURE NO. 6-11

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS
For the Years Ended December 31, 1960, 1965, 1970, 1975, 1980, and 1981

Class A & B	1960 Per Phone Gross	1960 Per Phone Net	1965 Per Phone Gross	1965 Per Phone Net	1970 Per Phone Gross	1970 Per Phone Net	1975 Per Phone Gross	1975 Per Phone Net	1980 Per Phone Gross	1980 Per Phone Net	1981 Per Phone Gross	1981 Per Phone Net	1980 ($000s) Total Plant Gross	1980 ($000s) Total Plant Net	1981 ($000s) Total Plant Gross	1981 ($000s) Total Plant Net	1981 vs 1980 % Change Per Phone Gross	1981 vs 1980 % Change Per Phone Net
Carolina Tel. & Tel. Co.[1]	$ 513.52	$ 396.01	$ 556.81	$ 413.31	$ 680.30	$ 525.46	$ 820.89	$ 625.35	$ 971.34	$ 707.28	$ 1,080.72	$ 771.60	$ 924,468	$ 673,143	$ 983,949	$ 702,507	6.4	4.4
Central Telephone Co.[2]	316.53	260.39	390.58	327.98	522.00	435.31	762.60	637.96	887.27	715.66	957.67	739.27	214,335	172,879	222,548	171,793	3.8	6
Citizens Telephone Co.	329.67	266.91	571.56	504.86	776.13	635.82	892.07	655.20	1,085.12	743.15	1,164.10	809.22	17,327	11,866	19,243	13,376	11.1	12.7
Concord Telephone Co.	257.23	202.84	334.96	255.36	423.13	308.78	545.97	395.38	616.70	409.80	614.99	395.78	57,810	38,415	59,889	38,541	3.6	.3
Ellerbe Telephone Co.	255.54	172.57	298.47	175.20	692.04	558.44	734.83	536.56	1,025.22	749.35	933.09	679.44	2,053	1,501	2,074	1,419	1.0	(5.5)
General Tel. Co. of the Southeast[3]	267.08	203.13	373.86	291.40	739.30	624.61	852.47	691.42	1,018.63	797.88	1,058.80	808.98	164,926	129,184	177,320	135,482	7.5	4.9
Heins Telephone Co.	288.50	234.78	493.96	423.84	481.92	372.04	732.37	571.79	787.01	545.17	813.35	549.54	23,679	16,403	25,428	17,180	7.4	4.7
Lexington Telephone Co.	296.62	219.02	364.05	255.03	533.50	406.36	629.94	465.22	722.19	507.36	735.99	504.07	20,817	14,625	21,987	15,058	5.6	3.0
Mebane Home Telephone Co.	312.66	249.08	512.68	404.24	693.07	510.94	840.11	601.54	980.33	657.50	931.09	593.95	6,742	4,522	6,403	4,084	(5.0)	(9.7)
Mid-Carolina Telephone Co.[4]	408.29	336.02	498.84	387.07	620.06	495.66	680.98	515.00	793.61	602.88	822.70	642.94	86,303	65,561	93,590	73,138	8.4	11.6
North State Telephone Co.	246.17	174.57	320.64	224.04	394.86	272.55	470.66	317.94	567.03	390.08	594.47	384.40	62,906	40,946	68,217	44,110	8.4	7.7
Pineville Telephone Co.[5]	—	—	—	—	—	—	—	—	715.93	532.33	795.29	579.00	1,558	1,159	1,738	1,265	11.6	9.1
Randolph Telephone Co.	381.87	339.66	694.71	590.75	824.89	654.17	796.77	562.67	869.53	576.66	890.31	567.88	3,281	2,176	3,379	2,155	3.0	(1.0)
Sandhill Telephone Co.	307.32	227.47	445.62	323.25	586.88	400.88	622.20	367.70	702.82	424.65	962.36	669.20	3,672	2,219	5,178	3,600	41.0	62.0
Southern Bell Tel. & Tel. Co.[6]	364.67	294.08	419.57	330.63	507.07	396.48	688.37	427.29	879.25	726.89	923.75	763.52	1,972,759	1,630,868	2,111,017	1,744,761	7.0	7.0
Westco Telephone Co.[7]	N/A	N/A	688.60	596.70	828.30	731.61	991.65	843.52	1,220.66	951.30	1,262.60	968.30	41,526	32,362	43,432	33,308	4.6	2.9
Western Carolina Tel. Co.[7][8]	451.24	360.17	542.67	411.53	831.06	728.96	1,047.94	926.71	1,212.69	966.66	1,301.59	1,110.84	69,824	55,658	75,194	64,174	7.7	15.3
Totals: Class A & B	$ 375.91	$ 298.32	$ 442.36	$ 343.77	$ 561.60	$ 441.48	$ 722.32	$ 576.20	$ 896.34	$ 705.92	$ 953.56	$ 745.70	$ 3,673,986	$ 2,893,487	$ 3,920,586	$ 3,065,951	6.7	6.0
Class C & D																		
Barnardsville Telephone Co.	$ 236.55	$ 191.39	$ 197.81	$ 139.07	$ 266.02	$ 167.45	$ 322.13	$ 226.67	$ 1,016.36	$ 925.34	$ 1,006.27	$ 896.24	$ 890	$ 811	$ 916	$ 816	2.9	6
Continental Tel. Co. of Virginia	328.02	200.29	1,353.02	1,157.81	870.64	724.34	946.89	764.08	1,071.37	881.60	1,098.63	871.77	484	398	510	405	5.4	1.8
Saluda Mountain Tel. Co.	N/A	N/A	79.42	29.31	284.57	199.14	401.96	302.68	413.17	274.38	437.64	278.61	546	362	597	380	9.3	5.0
Service Telephone Co.	342.67	302.13	317.18	231.85	417.71	301.35	955.67	811.33	724.21	536.56	709.93	525.23	1,058	784	1,060	785	.2	.1
Totals: Class C & D	$ 217.72	$ 183.74	$ 265.67	$ 190.43	$ 393.83	$ 287.65	$ 639.90	$ 515.73	$ 724.76	$ 573.18	$ 728.59	$ 563.60	$ 2,978	$ 2,355	$ 3,083	$ 2,386	3.6	1.3
Grand Totals	$ 375.77	$ 298.22	$ 442.23	$ 343.65	$ 561.47	$ 441.36	$ 722.25	$ 576.15	$ 896.17	$ 705.79	$ 953.33	$ 745.51	$ 3,676,964	$ 2,895,842	$ 3,923,669	$ 3,068,337	6.7	6.0

[1] United Telephone Company of the Carolinas, Inc., merged with Carolina Telephone and Telegraph Company November 1, 1978. All figures for United Telephone Company of the Carolinas, Inc., for the period 1960-1978 are included in Carolina Telephone and Telegraph Company.

[2] Morris Telephone Company merged with Central Telephone Company November 4, 1965. All figures for Morris for 1975 and prior years are included in Central. Lee Telephone Company merged with Central March 6, 1973. All figures for Lee for 1973 and prior years are included in Central.

[3] General Telephone of North Carolina merged with General Telephone of the Southeast December 21, 1970. All figures for 1970 and prior years for General Telephone of North Carolina are included in General Telephone of the Southeast.

[4] Lilesville Telephone Company merged with North Carolina Telephone Company December 31, 1968, and Denton Telephone Company merged with North Carolina Telephone Company in 1970. Eastern Rowan, Mid-Carolina, Mooresville, and Thermal-Belt Telephone companies merged into Mid-Carolina Telephone Company December 10, 1973. All figures for merged companies are included in Mid-Carolina Telephone Company for years prior to 1974. Mid-Carolina Telephone Company, North Carolina Telephone Company, and Old Town Telephone System, Inc., were merged into Mid-Carolina Telephone Company September 30, 1977. All figures for merged companies for 1977 and prior years are included in Mid-Carolina Telephone Company.

[5] Pineville Telephone Company came under Commission jurisdiction January 1, 1976.

[6] Chapel Hill Telephone Company came under Commission jurisdiction January 1, 1973, and was sold to Southern Bell Telephone and Telegraph Company April 1, 1977. All figures for Chapel Hill Telephone Company for 1976 and prior years are included in Southern Bell.

[7] Cooleemee Telephone Company merged with Western Carolina Telephone Company January 11, 1967, and was sold to Yadkin Valley Telephone Membership Corporation May 16, 1978. All figures for Cooleemee for years prior to 1967 are included in Western Carolina.

[8] Norfolk & Carolina Tel. & Tel. Co. merged into Carolina Tel. & Tel. Co. December 27, 1979. All figures for Norfolk & Carolina prior to 1980 are included in Carolina Tel. & Tel. Co.

[9] Westco Telephone Co. and Western Carolina Tel. Co. were merged into Continental Telephone of North Carolina in November 1982.

N/A — Not Available

NOTE: Per phone data for all years shown is based on number of regular telephones (excluding service and private) in service at end of year.

FIGURE NO. 6-12

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS
For the Years Ended December 31, 1982, and 1983

Class A & B	1982 Total Plant ($000s) Gross	1982 Total Plant ($000s) Net	1983 Total Plant ($000s) Gross	1983 Total Plant ($000s) Net	1982 Per Access Line Gross	1982 Per Access Line Net	1983 Per Access Line Gross	1983 Per Access Line Net	1983 vs. 1982 % Change Per Access Line Gross	1983 vs. 1982 % Change Per Access Line Net
ALLTEL Carolina Tel. Co.	$ 96,119	$ 68,362	$ 109,320	$ 76,199	$ 1,410.88	$ 1,003.45	$ 1,555.96	$ 1,084.54	10.3	8.1
Carolina Telephone Co.	992,168	718,532	1,026,152	725,241	1,677.12	1,214.57	1,674.36	1,183.36	(.2)	(2.6)
Central Telephone Co.	222,536	178,812	240,327	176,105	1,455.53	1,169.55	1,522.33	1,115.52	4.6	(4.6)
Citizens Telephone Co.	20,635	13,633	21,792	13,961	2,005.73	1,325.14	2,040.45	1,307.21	1.7	(1.4)
Concord Telephone Co.	61,728	38,028	63,683	37,692	1,002.57	617.64	1,006.38	595.65	.4	(3.6)
Continental Tel. Co. of North Carolina[1]	127,989	103,405	137,948	109,782	1,865.92	1,507.52	1,988.01	1,582.10	6.5	4.9
Elfirbe Telephone Co.	2,158	1,424	2,243	1,402	1,625.00	1,072.29	1,639.62	1,024.85	.9	(4.4)
General Tel. Co. of the Southeast	187,238	147,808	209,653	163,199	2,079.71	1,641.75	2,242.25	1,745.43	7.8	6.3
Heins Telephone Co.	26,506	18,211	27,541	17,929	1,443.76	991.94	1,447.17	942.09	.2	(5.0)
Lexington Telephone Co.	22,930	15,019	26,349	16,715	1,219.62	798.84	1,368.71	868.27	12.2	8.7
Mebane Home Telephone Co.	6,487	3,997	6,592	3,802	1,443.16	889.21	1,353.32	780.54	6.2	(12.2)
North State Telephone Co.	71,448	45,878	76,986	47,036	1,060.59	681.02	1,108.70	677.38	4.5	(.5)
Pineville Telephone Co.	1,800	1,248	1,856	1,234	1,521.56	1,054.95	1,886.18	1,254.07	24.0	18.9
Randolph Telephone Co.	3,542	2,286	3,670	2,265	1,435.75	926.63	1,442.04	889.98	.4	(4.0)
Sandhill Telephone Co.	4,997	4,209	5,468	4,314	1,666.22	1,403.47	1,796.91	1,417.68	7.8	1.0
Southern Bell Tel. & Tel. Co.	2,150,990	1,872,457	2,291,450	1,902,335	1,750.62	1,523.93	1,839.30	1,526.97	5.1	.2
Total Class A & B	$ 3,999,271	$ 3,233,309	$ 4,251,030	$ 3,299,211	$ 1,674.18	$ 1,352.53	$ 1,739.23	$ 1,349.81	3.9	(.3)
Class C & D										
Barnardsville Telephone Co.	$ 1,203	$ 878	$ 1,034	$ 846	$ 1,748.55	$ 1,276.16	$ 1,460.45	$ 1,194.92	(16.5)	(6.4)
Continental Tel. Co. of Virginia	531	423	651	516	1,495.77	1,191.55	1,808.33	1,433.33	20.9	20.3
Saluda Mountain Tel. Co.	648	385	686	386	670.81	398.55	690.84	388.72	3.0	(2.5)
Service Telephone Co.	974	831	1,230	857	1,144.54	976.50	1,431.90	997.67	25.1	2.2
Total Class C & D	$ 3,356	$ 2,517	$ 3,601	$ 2,605	$ 1,173.43	$ 880.42	$ 1,233.22	$ 892.12	5.1	1.3
Grand Totals	$ 4,002,627	$ 3,235,826	$ 4,254,631	$ 3,301,816	$ 1,673.58	$ 1,352.97	$ 1,738.63	$ 1,349.27	3.9	(.3)

[1] ALLTEL Carolina Telephone was formerly Mid-Carolina Telephone Company (2-13-84) (P-118, Sub 32)
Westco Telephone Co. and Western Carolina Telephone Co. merged to form Continental Telephone Co. of N.C. on 9-1-82 (P-128)

FIGURE NO. 6-13

TELEPHONE COMPANIES — CLASSES A, B, C, AND D
SUMMARY OF SELECTED DATA—INCOME STATEMENT, BALANCE SHEET, AND STATISTICAL ITEMS

For the Calendar Years 1965, 1970, 1975, 1980, 1982, 1983
(N.C. Data Only, Unless Otherwise Noted) (Dollars in 000's)

	1965	1970	1975	1980	1982	1983	% Change More (Less) 1983 over 1982
Number of Companies Regulated	32	29	26	22	20	20	
Number Included in this Data	32	29	25	22	20	20	
Income Statement:							
Revenues:							
Local Service Revenues	$ 103,540	$ 168,708	$ 314,135	$ 507,183	$ 687,784	$ 737,469	7.2
Toll Service	86,630	163,506	326,870	648,251	809,983	864,382	6.7
Misc. Revenue less Uncollectibles	7,613	11,046	18,412	43,225	57,139	66,604	16.6
Total Operating Revenues	$ 197,783	$ 343,260	$ 659,417	$ 1,198,659	$ 1,554,906	$ 1,668,455	7.3
Expenses:							
Maintenance	$ 31,723	$ 58,878	$ 125,222	$ 255,556	$ 354,116	$ 367,707	3.8
Depreciation	32,057	55,898	107,434	203,084	239,789	276,922	15.5
Traffic	21,268	35,179	53,066	62,355	70,761	73,792	4.3
Commercial			40,847	88,775	129,586	121,065	(6.6)
General Office Salaries & Expenses			25,746	56,269	76,664	87,801	14.5
Other Expenses	37,299	65,239	44,109	90,941	119,179	111,665	(6.3)
Total Operating Expenses Before Taxes	$ 122,347	$ 215,194	$ 396,424	$ 756,980	$ 990,095	$ 1,038,952	4.9
State Taxes:							
State Unemployment	$	$	$	$	$ 280	$ 319	13.9
State Income	3,377	4,451	8,060	14,397	20,638	22,752	10.2
State Property	5,826	11,776	22,573	31,596	32,304	32,233	(.22)
State Gross Receipts	9,152	14,968	29,208	51,882	67,675	75,793	12.0
Other State Taxes			269	467	172	183	6.4
Total State Taxes	$ 18,355	$ 31,195	$ 60,110	$ 98,282	$ 121,069	$ 131,280	8.4
Federal Taxes:							
Income Taxes	$ 19,564	$ 30,529	$ 12,702	$ 22,049	$ 59,850	$ 84,362	41.0
Investment Tax Credits	1,763	1,093	17,650	31,643	16,507	14,873	(9.9)
Deferred Accelerated Depreciation	(277)	(976)	30,231	38,112	56,707	56,252	(.80)
Federal Unemployment					29,851	29,511	(1.1)
Other Taxes			$ 10,405	$ 20,344	377	461	22.3
Total Federal Taxes	$ 21,050	$ 30,646	$ 70,988	$ 112,148	$ 163,292	$ 185,459	13.6
Total State & Federal Taxes	$ 39,405	$ 61,841	$ 131,098	$ 210,430	$ 284,361	$ 316,739	11.4
Total Operating Expenses	$ 161,752	$ 277,035	$ 527,522	$ 967,410	$ 1,274,456	$ 1,355,691	6.4
Net Operating Income	$ 36,031	$ 66,225	$ 131,895	$ 231,249	$ 280,450	$ 312,764	11.5
Other Income or expense:							
Interest Charged to Construction			$ 4,958	$ 4,063	$ 2,441	$ 4,077	67.0
Other Income			9,260	14,049	21,463	25,950	20.9
Deductions from Income					5,309	11,448	115.6
Total Other Income or Expense			$ 14,218	$ 18,112	$ 18,595	$ 18,579	(.09)
Fixed Charges:							
Interest on Funded Debt			$ 55,239	$ 88,110	$ 88,621	$ 97,017	9.5
Other Fixed Charges					10,936	8,471	(22.5)
Total Fixed Charges			$ 55,239	$ 88,110	$ 99,557	$ 105,488	6.0
Extraordinary & Delayed Items (Net)					$ 438	$ (2,694)	
Net Income			$ 90,874	$ 161,251	$ 199,926	$ 223,161	11.6
Balance Sheet:							
Assets: Telephone Plant							
Telephone Plant in Service	$ 690,389	$ 1,270,005	$ 2,244,307	$ 3,566,961	$ 4,002,627	$ 4,254,631	6.3
Less Depreciation Reserve	153,896	271,675	466,752	781,122	895,232	1,049,695	17.3
Net Telephone Plant in Service	536,493	998,330	1,777,555	2,785,839	3,107,395	3,204,936	3.1
Telephone Plant Under Construction & Held for Public Use			63,021	110,003	128,431	96,880	(24.6)
Total Net Telephone Plant	$ 536,493	$ 998,330	$ 1,840,576	$ 2,895,842	$ 3,235,826	$ 3,301,816	2.0
Investments & Funds							
Investments in Affiliated Companies					$ 76,226	$ 84,281	10.6
Advances to Affiliated Companies					2,280	2,059	(9.7)
Other Investments					5,678	4,810	(15.3)
Miscellaneous Physical Property					2,993	7,529	151.5
Total Investments & Funds					$ 87,177	$ 98,679	13.2

	1965	1970	1975	1980	1982	1983	% Change More (Less) 1983 over 1982
Current Assets							
Cash					$ 2.556	$ 4.916	92.3
Special Cash Deposits					885	945	6.8
Working Funds					595	658	10.6
Temporary Cash Investments					13.360	27.695	107.3
Notes Receivable					858	3.564	315.4
Due from Customers and Agents					161.090	175.419	8.9
Accounts Receivable from Affiliated Companies					2.726	2.411	(11.6)
Other Accounts Receivable					16.327	17.950	9.9
Interest & Dividends Receivable					29	142	389.7
Materials & Supplies					35.216	32.436	(7.9)
Other Current Assets					699	1.579	125.9
Total Current Assets					234.341	267.715	14.2
Prepaid Accounts & Deferred Charges					45.106	50.872	12.8
Total Assets					$ 3.602.450	$ 3.719.082	3.2
Liabilities & Stockholders' Equity							
Stockholders' Equity:							
Capital Stock					$ 933.136	$ 947.764	1.6
Premium on Capital Stock					55.260	55.222	(.07)
Other Capital					53.458	53.697	.44
Unappropriated Retained Earnings					440.125	$ 475.037	7.9
Total Stockholders' Equity					$ 1.481.979	$ 1.531.720	3.4
Long-Term Debt:							
Funded Debt (actually outstanding)					$ 1.028.769	$ 1.053.662	2.4
Other Long-Term Debt					85.358	85.870	.60
Total Long-Term Debt					$ 1.114.127	$ 1.139.532	2.3
Current & Accrued Liabilities:							
Accounts Payable to Affiliated Companies					$ 33.901	$ 34.401	1.5
Other Accounts Payable					115.943	$ 119.496	3.1
Customer Deposits					14.031	16.446	17.2
Advance Billing & Payments					30.784	28.878	(6.2)
Other Current Liabilities					15.638	50.829	225.0
Taxes Accrued					64.388	61.197	(5.0)
Unmatured Interests, Dividends, & Rents Accrued					11.980	25.677	114.3
Total Current & Accrued Liabilities					$ 286.665	$ 336.924	17.5
Deferred Credits & Operating Reserves					$ 719.679	$ 710.906	(1.2)
Total Liabilities & Stockholders' Equity					$ 3.602.450	$ 3.719.082	3.2
Statistics (N.C. Only):							
Telephones in Service — Year End							
Residence Phones	1.154.426	1.677.502	2.406.878	3.104.066	1.901.766	1.948.798	2.5
Business Phones	255.532	341.009	450.880	578.045	409.914	408.161	(.4)
Coin Operated, PBX Units, & Special Services	178.416	272.202	378.041	457.612	79.971	90.157	12.7
Grand Total of all Telephones in Service	1.588.374	2.290.713	3.235.799	4.139.723	2.391.651	2.447.116	2.3
Average Number of Calls per Telephone (Class A & B only)							
Local	2.131	2.101	1.978	1.710	2.055	1.878	(8.6)
Toll	63	85	113	198	201	227	12.9
Total Average Number of Employees	12.324	17.791	19.461	21.678	21.254	20.106	(5.4)
Total Wages & Benefits Paid Employees	$ 68.423	$ 121.531	$ 221.163	$ 404.832	$ 490.975	$ 506.186	3.1
Average Annual Wages & Benefits Paid Employees (actual $)	$ 5.552	$ 6.831	$ 11.364	$ 18.675	$ 23.100	$ 25.175	8.9

[1]These are the total access lines for residential lines, business lines, and all other lines which include coin operated, PBX units, and special services.

VII. Water And Sewer Companies

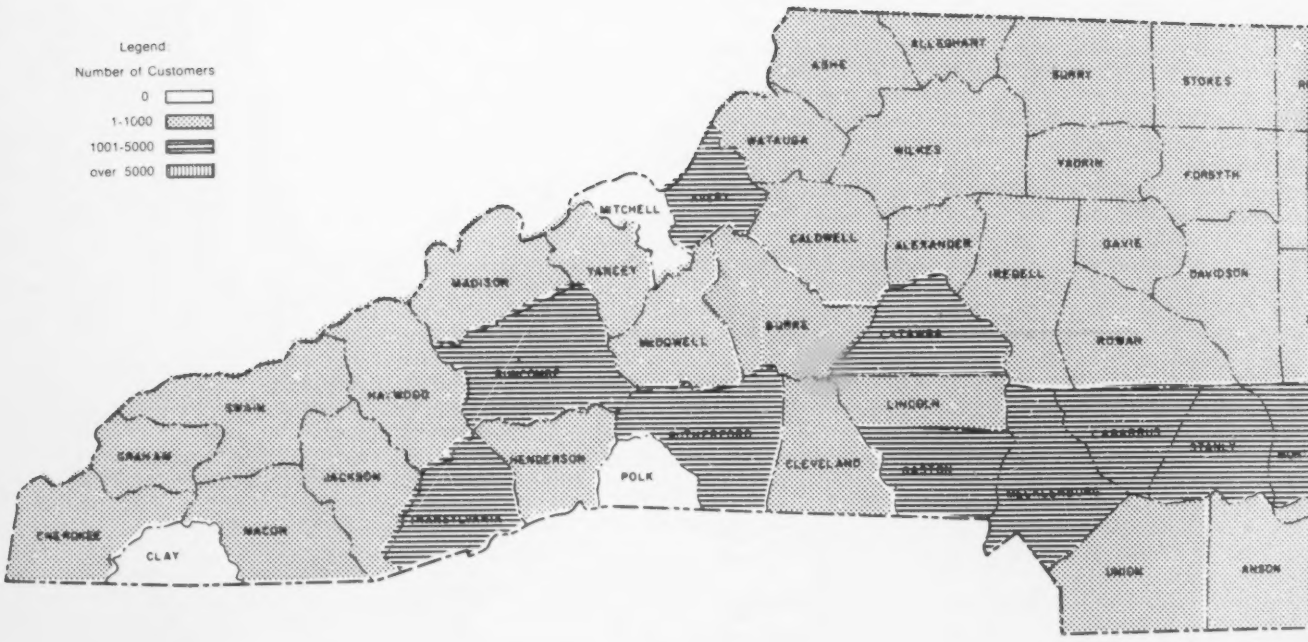


FIGURE NO. 7-1

Distribution of Customers
Served by
REGULATED WATER & SEWER UTILITIES
on December 31, 1983

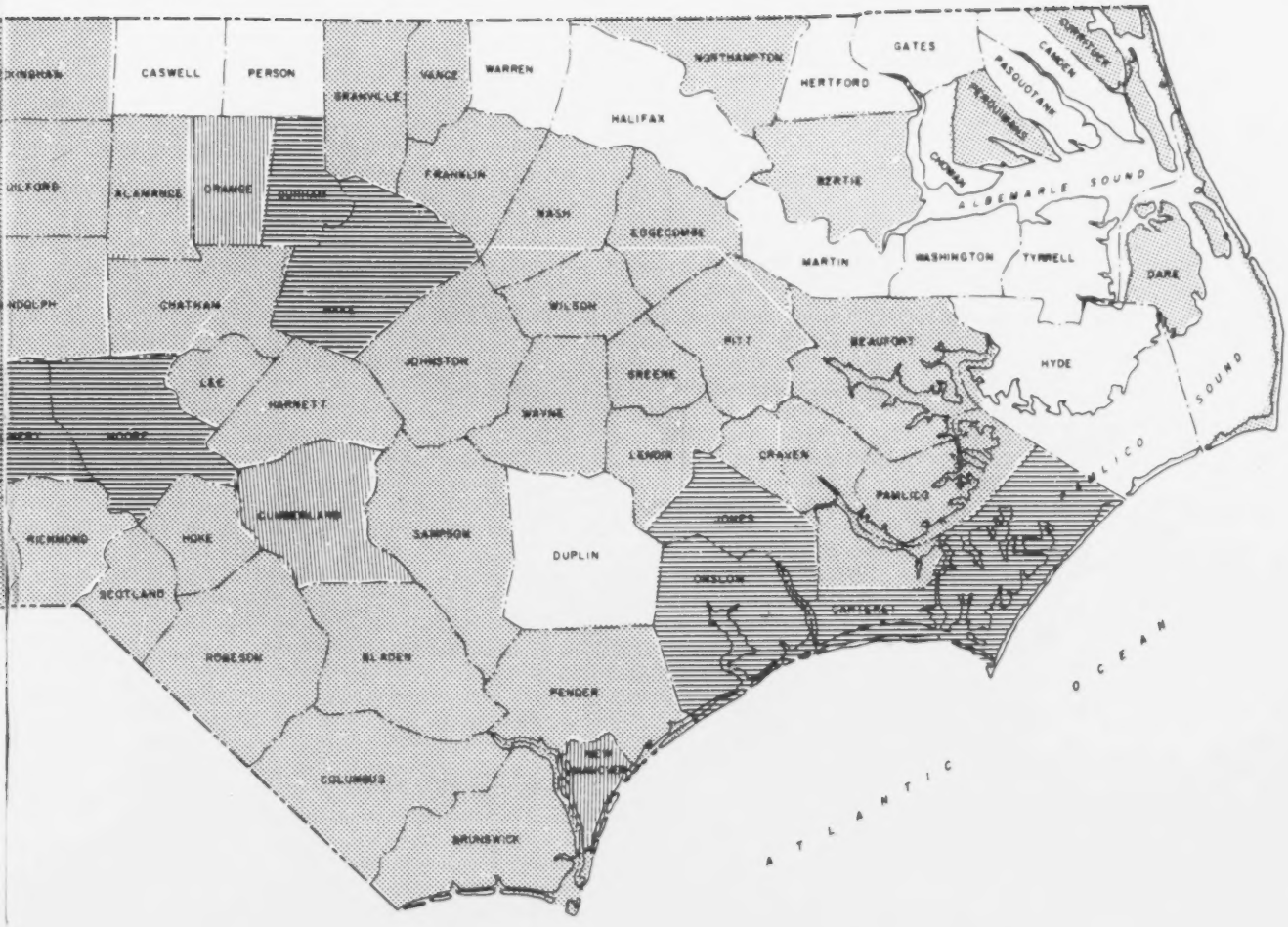

CASWELL
PERSON
GRANVILLE
VANCE
WARREN
NORTHAMPTON
GATES
CURRITUCK
CAMDEN
PASQUOTANK
PERQUIMANS
HERTFORD
HALIFAX
ALAMANCE
ORANGE
DURHAM
FRANKLIN
NASH
EDGECOMBE
BERTIE
CHOWAN
ALBEMARLE SOUND
MARTIN
WASHINGTON
TYRRELL
DARE
CHATHAM
WILSON
PITT
BEAUFORT
HYDE
PAMLICO SOUND
LEE
JOHNSTON
GREENE
HARNETT
WAYNE
LENOIR
CRAVEN
PAMLICO
MOORE
RICHMOND
CUMBERLAND
SAMPSON
DUPLIN
JONES
ONSLOW
CARTERET
HOKE
SCOTLAND
ROBESON
BLADEN
PENDER
COLUMBUS
BRUNSWICK
ATLANTIC OCEAN

FIGURE NO. 7-2

DISTRIBUTION OF SYSTEMS AND CUSTOMERS OF ALL N.C. REGULATED WATER AND SEWER UTILITIES for December 31, 1983

County	No. of Systems	No. of Customers
Alamance	6	277
Alexander	21	601
Alleghany	1	143
Anson	1	62
Ashe	5	253
Avery	5	1,752
Beaufort	2	156
Bertie	2	34
Bladen	0	0
Brunswick	2	576
Buncombe	7	1,476
Burke	7	168
Cabarrus	35	2,798
Caldwell	8	391
Camden	0	0
Carteret	13	2,250
Caswell	3	28
Catawba	90	3,320
Chatham	7	696
Cherokee	2	246
Chowan	0	0
Clay	0	0
Cleveland	8	441
Columbus	4	93
Craven	6	1,334
Cumberland	80	21,219
Currituck	0	0
Dare	1	166
Davidson	1	49
Davie	3	221
Duplin	0	0
Durham	12	912
Edgecombe	2	123
Forsyth	12	1,038
Franklin	3	3,029
Gaston	98	5,099
Gates	0	0
Graham	1	12
Granville	2	48
Greene	1	39
Guilford	5	171
Halifax	0	0
Harnett	13	700
Haywood	3	150
Henderson	9	344
Hertford	0	0
Hoke	2	109
Hyde	1	24
Iredell	25	999
Jackson	6	1,627
Johnston	7	201
Jones	0	0
Lee	4	866
Lenoir	11	1,124
Lincoln	5	220
Macon	3	202
Madison	1	305
Martin	0	0
McDowell	0	0
Mecklenburg	35	3,820
Mitchell	0	0
Montgomery	6	379
Moore	9	4,923
Nash	3	42
New Hanover	51	7,563
Northampton	1	23
Onslow	27	3,568
Orange	8	320
Pamlico	0	0
Pasquotank	0	0
Pender	1	0
Perquimans	1	726
Person	0	0
Pitt	4	637
Polk	1	20
Randolph	14	698
Richmond	1	11
Robeson	0	0
Rockingham	9	276
Rowan	32	1,150
Rutherford	9	4,272
Sampson	1	48
Scotland	8	990
Stanly	6	172
Stokes	5	356
Surry	30	849
Swain	1	11
Transylvania	8	983
Tyrrell	0	0
Union	8	1,124
Vance	1	33
Wake	95	7,113
Warren	0	0
Washington	0	0
Watauga	12	1,890
Wayne	11	903
Wilkes	1	18
Wilson	8	403
Yadkin	1	18
Yancey	3	125
Total	957	99,556

A. GENERAL COMMENTS

As of December 31, 1983, there were 957 regulated water and sewer systems in North Carolina owned by 375 companies. These are comprised of 877 water and 80 sewer systems. This shows an increase of 8.3% in total systems from the previous year. The General Statutes of North Carolina provide in part that anyone owning or operating facilities for furnishing water and sewer service to the public for compensation is a public utility, except when such person's sole operation consists of selling water to fewer than ten residential customers. Specifically exempt from regulation under the statutes are municipalities, sanitary districts, and anyone who furnishes water or sewer service to himself, his tenants, or his employees. The statutes also exempt certain consumer-owned corporations.

Figure Nos. 7-1 and 7-2 show a map and, in chart form, the locations of the water and sewer systems by counties with the number of systems and customers in each county.

In 1983 approximately 88% of the regulated companies received less than $50,000 in annual revenues, and only seven companies received more than $500,000. In 1982 approximately 96% of the companies received less than $50,000 in annual revenues, and only four companies received more than $500,000. Approximately 68% of the water and sewer companies served fewer than 100 customers in 1983 compared to 69% of the companies in 1982.

One of the major problems encountered in regulating small water and sewer utilities is the lack of keeping adequate records. Many small utility owners quite possibly subsidize operations for several years because their records, which are required for filing and justifying rate increases, are inadequate. As a result, of the 375 companies franchised to operate in 1983, current statistical operating data is only included for 286 of the companies. This data is found in Figure No. 7-3. For the other 89 companies, the most recent statistical data received by the Commission is presented in Figure No. 7-4. This noncurrent statistical data is included to illustrate the total scope of the regulated water and sewer industry in North Carolina.

The Commission has adopted a simplified (2-page) annual report which should encourage Class D utilities to maintain minimum records of their expenses. This should enable small companies to keep accurate records and provide them with the required information needed for general rate cases.

There has been a trend for larger utilities to absorb smaller ones. This enables the customers to obtain the benefit of a large customer base, more expertise in utility operations, and better response to service problems. In addition, larger utilities are more capable of obtaining financing for capital improvements which has proven to be a serious problem for smaller operations.

In 1983 approximately 52% of the customers of regulated water companies in North Carolina received metered service, and approximately 49% of the customers were furnished water treated in some manner, usually by chlorination. In some systems water is treated with phosphates to control excess iron, and a few systems have filters for iron removal. Approximately 14% of the customers are served by water systems having fire protection capability. A few of the companies purchase water from municipalities for resale to their customers, but most of the companies supply water by means of deep wells.

B. COMMISSION ACTIVITIES

During 1983 applications for general rate increases were filed by 41 water and/or sewer companies. Forty-eight water and sewer companies filed for general rate increases in 1982. These requests for additional revenues totaled $1,128,688 in 1982 and $1,433,584 in 1983.

Applications for new franchises totaled 31 in 1983, the same number as 1982. In addition there were 25 requests for transfers of franchise, up from 15 in 1982. There were 27 miscellaneous proceedings such as formal complaints, stock transfers, mergers, show cause proceedings, and trusteeship—emergency operator proceedings. There were 11 of these type proceedings in 1982.

C. REGULATED VS. NONREGULATED MONTHLY CHARGES

Comparative monthly charges for residential water service between selected nonregulated municipal systems and regulated water systems in North Carolina are shown in Figure No. 7-8. This also shows the same comparable component for residential sewer service in North Carolina for the same period.

The Outside City Limits charges for municipal systems vary from 1 to 2 1/2 times the Inside City Limit rates.

D. STATISTICAL SUMMARY

The number of regulated utility companies furnishing water and sewer service in North Carolina was 375, the same as 1982. These companies operated 877 water systems and 80 sewer systems within the State. They served 99,556 water and sewer customers and received $12,650,722 in annual revenues. See Figure No. 7-7 for a graphic presentation.

Of the 375 water and sewer companies regulated as of December 31, 1983, seven water companies and seven water/sewer companies had records in sufficient detail to provide some comparative data to be developed for this report. The individual financial and statistical data for these 14 companies for the year 1983 is shown on Figure Nos. 7-5 and 7-6.

Caution should be used in applying the results of the data shown for these 14 companies to any

specific situation. The data is taken directly from the annual reports without any adjustments. Experience has shown that the Commission usually makes substantial adjustments to the data filed by water and water/sewer companies for ratemaking purposes. The adjustments are most frequently made to the plant accounts and the related depreciation expenses claimed against the plant investment. Most of the adjustments are downward to reflect the elimination of plant contributed or plant investment recovered by the developers or owners through the sales price of the lots in subdivisions. Often, there are downward adjustments in both the plant account and in operation expenses due to the system's having unreasonably large unused customer capacity during the early stage of development. In view of these limitations, the average water usage and revenues per customer have the most valuable use for comparative or planning purposes.

FIGURE NO. 7-3

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS
For the Year Ended December 31, 1983

	Docket Number	Annual Revenues		Number of Customers		Number of Systems	
		Water	Sewer	Water	Sewer	Water	Sewer
Acqua, Inc.	W-270	$ 8,120	$	99		1	
Allen Hills Water Company, Inc.	W-050	5,513		48		1	
All Star Mobile Home Park	W-628	920		11		1	
Anderson Creek Homes Water System	W-724	5,680		64		1	
Anderson Creek Water Company	W-336	2,004		68		1	
Anderson, Wayne	W-566	2,034		30		1	
Associated Realty & Investment, Inc.	W-384	4,748		77		1	
Associated Utilities, Inc.	W-303	54,541	51,634	531	427	3	3
B & C Builders, Inc.	W-697	10,767		91		1	
Bailey, Thomas L.	W-771		6,000				1
Baker Water Services, Inc.	W-756	1,902		11		1	
Bald Mountain Development Corp.	W-410	25,570		305		1	
Barrier Grain Company	W-688	2,766		17		1	
Bear Paw Company	W-500	13,617	3,048	160	60	1	1
Belmont Water Company, Inc.	W-393	3,304		31		1	
Bermuda Run Country Club, Inc.	W-707		24,888		186		1
Bethlehem Utilities, Inc.	W-259	39,530		279		4	
Big, Inc.	W-486	8,160		145		1	
Billingsley, W.D. & John T.	W-632	2,720		31		1	
Birchwood Farms, Inc.	W-656	3,929		63		1	
Bolick, Albert L.	W-430	1,479		18		1	
Bradshaw Water Company	W-103	3,652		52			
Brandywine Bay Utility Company	W-693	10,961	10,397	85	75	1	1
Brightwater Water Dept.	W-151	7,772		98		1	
Brindle Well Drilling	W-228	5,610		77		2	
Brookwood Acres Water System	W-470	3,891		52		1	
Brookwood Water Corporation	W-177	460,607		4,020		13	
Browning Enterprises, Inc.	W-569	5,380		52		1	
Buffaloe Water Systems	W-635	2,716		27		1	
C & L Utilities, Inc.	W-535	21,092		209		2	
C.N. & H. Corporation	W-685	5,648		74		1	
Cape Fear Utilities, Inc.	W-297	289,387	123,471	1,553	611	24	9
Cape Fear Water Company	W-232	40,233		579		3	
Cardinal Estates Water Company	W-701	552		5		1	
Carolina-Blythe Utility Company	W-503	59,017	88,953	250	250	1	1
Carolina Pines Construction Co.	W-341	6,083		81		1	
Carolina Water Services, Inc., of N.C.	W-354	1,024,267	355,012	N/R	3,132	19	6
Chapel Hills Utility Company	W-310	6,207		83		1	
Cherokee Hills Holding Corp.	W-643	244		26		1	
Chimney Rock Water Works	W-102	9,444		76		1	
Cleveland Water Systems, Inc.	W-301	11,586		155		1	

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS
For the Year Ended December 31, 1983

	Docket Number	Annual Revenues		Number of Customers		Number of Systems	
		Water	Sewer	Water	Sewer	Water	Sewer
Cliffdale Water Company	W-203	$ 19,302	$	190		1	
Cline, H.C., Building & Supply Co., Inc.	W-418	2,651		45		1	
Coastal Plains Utility Company	W-215	84,443		607		3	
Community Water Works, Inc.	W-316	12,979		77		2	
Consolidated Utilities, Inc.	W-332	5,497		46		1	
Coral Park Community Well	W-717	1,296		12		1	
Corriher Water Service, Inc.	W-233	104,545		965		19	
Crater Water System	W-185	2,167		42		1	
Crestview Water Company	W-195	33,669		347		1	
Crestview Water Systems, Inc.	W-325	3,237		57		1	
Cross-State Development Company	W-408	4,784		131		1	
Cumberland Water Company, Inc.	W-169	357,623	203,949	4,091	1,895	11	3
CWS Systems, Inc.	W-617	37,657	16,629	935	280	7	2
Davis, Roy A. & Virginia B.	W-631	2,514		25		1	
Dockery's Water Systems	W-721	12,151		133		2	
Dream Weaver Utilities	W-786	5,472		160		3	
Duan Water Works, Inc.	W-346	2,737		32		1	
Duchess Forest Water Supply	W-324	1,557		34		1	
Duke Power Company	W-094	1,221,206		3,893		1	
Duncan, Gordon	W-483	1,148		14		1	
Economy Finance Co. of Concord	W-528	2,501		11		1	
Edwards Millwork & Builder Supply	W-134	3,875		42		1	
Eno Industrial Sewer Facility	W-763		8,117		4		1
Environmental Pollution Control, Inc.	W-774		43,157		166		1
Evans, Leroy	W-594	900		18		1	
FDB, Inc.	W-544	70		11		1	
F & H Water Company	W-545	3,450		40		1	
Fairbrook Utility Company	W-674	1,080		18		1	
Fairway Shores Water Company	W-309	5,050		77		1	
Fairways Utilities, Inc.	W-787	1,015,000	1,255,000	N/R	N/R	N/R	N/R
Falling Creek Water Company	W-590	27,915		335		1	
Falls, Ralph L.	W-268	17,414		353		4	
Farmer, Arthur V.	W-506	1,254		20		1	
Faw, Mrs. Francis S.	W-087	7,218		130		1	
Fearrington Utilities	W-661	34,161		532		3	
Figure 8 Island Utility Company	W-246	41,303		214		1	
Finger, John R.	W-644	2,833		30		1	
Flanders Filters, Inc.	W-542	1,793		14		1	
Flat Mtn. Estates Water System, Inc.	W-726	2,304		32		1	
Fleetwood Falls, Inc.	W-380	8,089		80		1	

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS
For the Year Ended December 31, 1983

	Docket Number	Annual Revenues		Number of Customers		Number of Systems	
		Water	Sewer	Water	Sewer	Water	Sewer
Foreman, J.D.	W-077	$ 2,546	$	36		1	
Forest Acres Water Company	W-626	2,186		22		1	
Fox Fire Water System	W-725	81		1		1	
Foxhall Village Utilities	W-777	26,566	39,848	90	90	1	1
Gaither Water Company	W-621	2,382		43		1	
Gallagher Trails, Inc.	W-603	4,455		32		1	
Gaston Builders, Inc.	W-737	3,557		32		1	
Genoa Water System	W-321	38,368		495		3	
Glendale Water, Inc.	W-691	114,541		567		14	
Glynwood Mobile Home Park	W-545	4,030		85		1	
Goose Creek Utility Company	W-369	38,714	47,866	257	194	2	1
Goss Utility Company	W-457	40,839		304		5	
Gower, Jerry, Const. Company	W-465	1,740		18		1	
Graham, R.E.	W-184	3,554		46		1	
Grandview Water Company	W-183	64,708		320		2	
Grandfather Golf and Country Club	W-755	26,350	24,866	166	157	2	2
Greenfield Heights Development	W-205	4,785		21		1	
Gresham's Lake Utility Co., Inc.	W-633	25,930	10,622	7	7	1	1
Grove Supply Co., Inc.	W-587	765		18		1	
H & H Development Corporation	W-315	5,030	7,467	39	45	1	1
H & M Water Company, Inc.	W-147	9,676		82		1	
Hare, John E.	W-417	2,219		16		1	
Harmony Heights Water Company	W-481	10,025		86		1	
Harnett Lakes Water Company, Inc.	W-210	4,290		73		1	
Harris, John L.	W-634	2,012		19		1	
Hart Water Systems, Inc.	W-739	19,357		149		1	
Harward's Realty & Insurance Co.	W-710	3,958		40		1	
Hasty Water Utilities, Inc.	W-400	318,721		2,235		20	
Havelock Development Corporation	W-223	26,552		188		1	
Hawkins, Paul T. & Company, Inc.	W-550	17,417		308		2	
Hayden Vanderburg Enterprises, Inc.	W-761	5,112		24		1	
Hazelwood Water Company	W-749	5,602		70		1	
Heater Utilities, Inc.	W-274	560,473		2,794		30	
Hefner Builders, Inc.	W-480	1,470		15		2	
Helms Water Company	W-592	1,888		18		1	
Hendrix-Barnhill Company, Inc.	W-658	3,496		35		1	
Hendrix Development Company, Inc.	W-616	2,205		42		1	
Hensley Enterprises, Inc.	W-089	227,270		1,611		33	
Heritage Water Company, Inc.	W-679	13,438		82		1	
Hickory Hills Service Co., Inc.	W-460	41,867		485		2	
High Meadows Water & Utilities	W-061	16,056		143		1	

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS
For the Year Ended December 31, 1983

	Docket Number	Annual Revenues		Number of Customers		Number of Systems	
		Water	Sewer	Water	Sewer	Water	Sewer
Holbrook, Mrs. M.L.	W-433	$ 2,211	$	26		1	
Hollandale Water Company	W-419	2,968		27		1	
Holt, Edgar Lee	W-606	1,440		21		1	
Home Realty Co. & Insurance	W-521	3,044		42		1	
Homestead Community Water	W-452	3,068		35		1	
Honey Hill Water Company	W-420	2,014		25		1	
Honeycutt, Wayne M.	W-472	5,295		51		3	
Hooper's Valley Water Company	W-794	4,280		50		1	
Hound Ears Lodge & Club, Inc.	W-397	40,754	20,308	320	131	1	1
Huey, Wade	W-614	900		15		1	
Huffman, H.C. Water Systems, Inc.	W-095	58,524		506		11	
Hydraulics, Ltd.	W-218	164,228		1,148		32	
Ideal Mobilehome Park	W-748	2,815		24		1	
Jackson, Harold L.	W-494	945		15		1	
Jackson Utility Company	W-448	71,869	26,965	1,233	300	2	1
Jamestown Water Corporation	W-745	10,791		100		1	
Jewell, A. Gordon	W-651	3,504		31		1	
Joyceton Water Works, Inc.	W-004	103,443		155		1	
Kannapolis Real Estate Agency, Inc.	W-025	3,016		28		1	
Killian Water System	W-298	2,200		29		1	
Kimberly Court Water Company	W-350	1,977		25		1	
Kings Grant Water Company	W-250	125,317		1,511		1	
Kiser Water System	W-352	1,750		30		1	
Lad, Inc.	W-722	12,425	12,425	154	107	3	2
Lafayette Water Corporation	W-043	539,393		5,957		3	
La Grange Water Works Corporation	W-200	263,778		2,795		11	
Lakeland Village Water Supply	W-394	1,557		34		1	
Lake Summit Corporation	W-058	6,572		55		1	
Lamm, William M.	W-708	1,890		15		1	
Laurel Woods Water System	W-694	6,661		64		1	
Lavan, Cora Jane	W-647	2,035		30		1	
Lewis Water Company, Inc.	W-176	16,620		182		6	
Lewis Water Systems	W-288	14,583		139		1	
Lincoln Water Works, Inc.	W-335	17,940		108		1	
Linville Ridge	W-766	11,475		172		1	
Lone Pine Water Company	W-451	18,353		53		1	
Longleaf, Inc.	W-462	51,375		586		1	
Looper, Clark Russell	W-501	2,569		17		1	
M & S Corporation	W-625	11,479		89		1	

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS
For the Year Ended December 31, 1983

	Docket Number	Annual Revenues		Number of Customers		Number of Systems	
		Water	Sewer	Water	Sewer	Water	Sewer
M.D. Square, Inc.	W-338	$ 1,550	$	23		1	
Mam Water & Sewer Corporation	W-772		7,583		158		1
Mar Man, Ltd.	W-669	5,430		49		1	
Marper, Inc.	W-770	0		0		1	
Matlock, T.L., Jr.	W-624	5,354		47		1	
Matthews, B.E., Constr. Co., Inc.	W-641	2,395		21		1	
Mauney, William K., Jr.	W-560	1,580		22		1	
Maxwell Water Company	W-339	2,084		33		1	
McNeill & Deal	W-596	1,295		18		1	
McRee, William E.	W-562	2,160		24		1	
Melmount Water Company	W-711	1,530		20		1	
Mercer Environmental Corporation	W-198	264,796	128,167	1,555	478	10	2
Mid South Water Systems, Inc.	W-720	147,278		1,499		37	
Miller, R.B., Jr.	W-493	2,194		49		3	
Millner Water Systems	W-695	8,814		28		1	
Milstead Community Water System	W-718	1,229		16		1	
Mineral Springs Mountain Water	W-576	8,063		29		1	
Mishue, Dale, Trustee	W-515	2,977		43		1	
Modern Plumbing Co. of Charlotte	W-551	345		20		1	
Montclair Water Company, Inc.	W-173	299,826	243,826	3,775	2,826	1	1
Morlan Park Water Company	W-042	2,766		30		1	
Moseley-Nash Water Corporation	W-475	3,687		23		1	
Moss, James H.	W-760	4,085		41		1	
Moss Hill Water Works Company	W-459	6,946		48		1	
Mount Vernon Park Water System	W-072	10,318		149		1	
Mountain Group, The	W-752	20,852	0	178	31	1	1
Mullis, Giles, E.	W-547	5,664		118		5	
Niagra Water Company	W-059	1,290		23		1	
North Crest Water System, Inc.	W-496	3,087		25		1	
Northeast Craven Utility Company	W-696	61,514	61,514	325	325	1	1
Norwood Beach Water System	W-498	6,014		62		1	
Oakmont Water Company	W-533	6,436		42		1	
Oakwoods Water Company	W-655	8,373		61		1	
Old Farm Water Systems, Inc.	W-568	4,865		66		1	
Old South Lane Water System, Inc.	W-517	220		11		1	
Overhills Water Company, Inc.	W-175	48,761		451		2	
P & H Water Co., Inc.	W-257	15,226		121		2	
Park Utility Company	S-006		4,095		60		1
Pate, Z.V., Inc.	W-067	53,119		465		1	
Payne, Fred L., Water Company	W-110	9,700		208		1	

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS
For the Year Ended December 31, 1983

	Docket Number	Annual Revenues		Number of Customers		Number of Systems	
		Water	Sewer	Water	Sewer	Water	Sewer
Paysours Water Works, Inc.	W-278	$ 7,261	$	84		1	
Pen Properties, Inc.	W-586	5,793		60		1	
Piedmont Construction and Water	W-262	342,840	-0-	1,882	78	39	1
Piedmont Estates Water System	W-581	8,294		93		1	
Pierce, Heavner, & Jenkins Bldr.	W-363	16,652		135		2	
Pine Valley Water Company, Inc.	W-242	87,926	39,926	545	238	1	1
Pinehurst, Inc.	W-006	248,693	254,709	1,964	1,414	1	1
Pleasant Garden Water Department	W-702	1,715		13		1	
Poole Brothers, Bldg. & Trading Co.	W-513	8,395		139		2	
Prior Construction Co.	W-567	8,346		58		1	
Propst Water Supply	W-291	1,530		24		1	
Quality Water Supplies, Inc.	W-225	191,487		1,315		13	
Quail Run	W-662	4,026		38		1	
Raeford Plumbing and Heating Co.	W-372	2,480		23		1	
Ratchford, Brady W., Jr.	W-444	5,472		52		1	
Ratchford, Lucius L.	W-421	6,756		76		1	
Regalwood Water Company	W-187	11,971		136		1	
Ridgecrest Baptist Conference	W-071	15,267		266		1	
Riverbend Water Systems, Inc.	W-390	8,127		74		1	
Riverhills, Inc.	W-461		6,590		49		1
Riviera Utilities of N.C., Inc.	W-665	82,485		3,010		1	
Riverview North Utilities, Inc.	W-758	4,192		67		1	
Robin Lake Water System	W-370	N/R		217		1	
Rock Barn Water System	W-747	10,122		51		1	
Rockingham Realty Company, Inc.	W-704	3,186		30		1	
Rolling Springs Water Co., Inc.	W-313	38,667	4,740	262	60	4	1
Routh & Hennis, Inc.	W-497	7,966		119		1	
Rush, Hurley B.	W-558	2,261		31		1	
Sanders Water Company	W-532	2,667		45		1	
Sandy Pines Corporation	W-764	0		0		1	
Scientific Water and Sewerage Company, Inc.	W-176	81,430	104,117	565	565	4	4
Scotland Water Co.	W-426	22,670		195		3	
Sea Watch Estates, Inc.	W-769	9,737		86		1	
Senorn Water Supply, Inc.	W-773	2,285		22		1	
Setzer Brothers Well Boring, Inc.	W-360	8,267		100		3	
Shade Tree Acres Water System	W-455	815		13		1	
Sherwood Forest Utility Inc.	W-706	28,234	423	158	5	1	1
Sherwood Forest Water System	W-646	936		12		1	
Silver Maples Mobile Estates	W-776	2,777	2,777	27	27	1	1

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS
For the Year Ended December 31, 1983

	Docket Number	Annual Revenues		Number of Customers		Number of Systems	
		Water	Sewer	Water	Sewer	Water	Sewer
Skyland Drive Water System	W-642	$ 1,950	$	21		1	
Skyview Water System, Inc.	W-293	4,932		68		1	
Smawley, Elon	W-333	2,446		29		1	
Springdale Water Company	W-406	11,611	4,020	57	36	1	1
Spring Hill Water Corporation	W-247	1,466		19		1	
Springs Mills, Inc.	W-650	1,373	1,028	35	32	1	1
Spring Valley Water System	W-425	1,134		18		1	
Spring Water Company, Incorporated	W-337	34,298		261		3	
SRME Water System	W-733	3,649		49		1	
Stoney Oaks Water Systems	W-782	691		8		1	
Stony Brook Estates Water System	W-295	2,590		29		1	
Suburban Heights Water System	W-394	1,401		21		1	
Sunset Park Utilities, Inc.	W-178	15,081	4,705	230	210	1	1
Superior Well Supply Co., Inc.	W-524	7,339		69		1	
Surry Water Company, Inc.	W-314	123,419		837		25	
TPG Utilities, Inc.	W-675	4,243		49		1	
Tarlton Real Estate Corporation	W-657	3,614		32		2	
Tart's Investment Corporation	W-741	533		15		1	
Tet Utility Company, Inc.	W-759	124	49,107	7	285	1	2
Thompson, George A., Water System		15,097		129		1	
Transylvania Utility Co.	W-378	187,140	110,400	250	376	1	1
Treasure Cove Water Company	W-445	13,728		150		1	
Trexler Water System	W-505	5,163		103		1	
Turner, T & H., Farms, Inc.	W-687	3,724		47		3	
Vander Water Company, Inc.	W-488	16,030		137		2	
Veterans Drive Community Water System	W-118	1,790		30		1	
Viking Utilities Corp., Inc.	W-740					1	
Vila Pump Company		2,737		32		1	
W & K Enterprises	W-611	993		12		2	
W.P.K.S. Utilities, Inc.	W-659		28,482		5		1
Ward, James M.	W-788	-0-		25		1	
Water, Inc.	W-216	6,183		105		1	
Western Utilities Corporation	W-229	272		-0-	-0-	2	
Westgate Utilities Company, Inc.	W-239	883		3		1	
Westhaven Mobile Home Park System	—	147		16		1	
West Wilson Water Company	W-781	6,000		40		1	
White, Billy	W-600	300		12		1	
White Oak Community Water System	W-520	2,750		50		1	
Willow Creek Builders, Inc.	W-387		8,585		49		1
Wilson Water Service	W-554	3,370		48		3	

FIGURE NO. 7-3 (Continued)

WATER AND SEWER COMPANIES REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION — REVENUES, CUSTOMERS, NUMBER OF SYSTEMS
For the Year Ending December 31, 1983

	Docket Number	Annual Revenues		Number of Customers		Number of Systems	
		Water	Sewer	Water	Sewer	Water	Sewer
Wilson Water Systems	W-698	$ 15,097	$	129		1	
Windsor Lake Water Company	W-523	4,898		54		1	
Wrightsboro Water Co.	W-372	2,480		23		1	
Yadkin Water Corporation	W-585	2,168		32		3	
Yost, J.M.	W-514	1,369		12		1	
Zemosa Acres	W-744	7,842		83		2	
Total Companies: 286		$9,916,920	$1,941,526	76,848	12,331	695	64

FIGURE NO. 7-4

WATER AND SEWER COMPANIES THAT HAD NOT FILED A 1983 ANNUAL REPORT AS OF JANUARY 1, 1984.
NONCURRENT DATA IS FROM MOST RECENT REPORT FILED WITH THE COMMISSION.

Water and Sewer Companies	County	Docket Number	Annual Revenue		Number of Customers		Number of Systems	
			Water	Sewer	Water	Sewer	Water	Sewer
Alamance Village Utility Corp.	Alamance	W-671	$ -0-	$ -0-	-0-	-0-	-0-	-0-
Avalon Water System, Inc.	Randolph	W-382	1,367	-0-	17	-0-	1	-0-
Bailey's Utilities, Inc.	Johnston	W-365	139,081	-0-	1,013	-0-	3	-0-
	Wake						15	-0-
	Lee						1	-0-
Bayview Water Works	Beaufort	W-565	6,917	-0-	93	-0-	1	-0-
Beatties Ford Utility Company	Mecklenburg	W-192	24,191	24,191	359	359	1	1
Beechwood Cove Utilities	Chatham	W-753	-0-	-0-	16	-0-	2	-0-
Bellview Water System, Inc.	Cleveland	W-684	299	-0-	6	-0-	1	-0-
Bess Brothers, Inc.	Gaston	W-331	11,359	-0-	186	-0-	5	-0-
Bess, Cregg, Inc.	Gaston	W-281	17,570	-0-	260	-0-	6	-0-
Brookside Water Company	Haywood	W-330	1,044	-0-	29	-0-	1	-0-
Brown, E.S.	Buncombe	W-732	-0-	-0-	-0-	-0-[1]	1	-0-
Buffalo Meadows Utility Co.	Ashe	W-312	2,291	2,292	21	21	1	1
Carolina Trace Corporation	Lee	W-436	38,269	31,477	433	376		
Castor Court Water Company, Inc.	Cabarrus	W-423	850	-0-	18	-0-	1	-0-
Clear Meadow Water, Inc.	Mecklenburg	W-715	3,895	-0-	40	-0-	2	-0-
Clear Flow Utilities, Inc.	Forsyth	W-738	3,869	7,141	389	275	1	-0-
	Randolph	W-351					2	1
	Rockingham	W-358					1	-0-
	Rowan						2	1
	Stokes						1	2
Collins, Robert Water Supply	Cabarrus	W-519	1,637	-0-	28	-0-	1	-0-
Colony Park Utilities Company	Durham		-0-	567	-0-	22	-0-	1
Colony Water of Morehead City, Inc.	Carteret	W-654	2,450	-0-	31	-0-	1	-0-
Combs, Robert F.	Iredell	W-328	2,268	-0-	39	-0-	3	-0-
Conner Homes Corp.	Carteret	W-343	3,132	-0-	46	-0-	1	-0-
Cook, L.V., Water Supply	Stanly	W-540	5,965	-0-	104	-0-	2	-0-
Country Hills Water Co.	Union	W-609	1,974	-0-	28	-0-	1	-0-
Crowsdale Water, Inc.	Wake	W-588	3,619	-0-	140	-0-	1	-0-
Dillard Grading Company	Jackson	W-340	6,332	-0-	85	-0-	1	-0-
	Swain						1	-0-
East Rutherford Water System, Inc.	Rutherford	W-527	1,830	-0-	30	-0-	1	-0-
Edgewood Water System	Rowan	W-570	446	-0-	23	-0-	1	-0-
Fairway Acres Water System	Caldwell	W-260	4,431	-0-	59	-0-	1	-0-
Forrest, P. Tony	Alexander	W-318	1,319	-0-	18	-0-	1	-0-
Fox Ridge Owner's Assoc.	Henderson	W-762	1,810	-0-	23	-0-	1	-0-
Gensinger, John W.	Wake	W-549	2,253	-0-	27	-0-	1	-0-

FIGURE NO. 7-4 (Continued)

WATER AND SEWER COMPANIES THAT HAD NOT FILED A 1983 ANNUAL REPORT AS OF JANUARY 1, 1984.
NONCURRENT DATA IS FROM MOST RECENT REPORT FILED WITH THE COMMISSION.

Water and Sewer Companies	County	Docket Number	Annual Revenue		Number of Customers		Number of Systems	
			Water	Sewer	Water	Sewer	Water	Sewer
H & A Water Services, Inc.	Stanly	W-510	$ 35,790	$ -0-	6	-0-	1	-0-
High Hampton, Inc.	Jackson	W-574	8,184	-0-	66	-0-	1	-0-
Holiday Island Property Owners Assoc.	Perquimans	W-386	24,284	-0-	726	-0-	1	-0-
Hope Brothers Builders, Inc.	Davie	W-413	216	-0-	4	-0-	1	-0-
Huffman, George W.	Catawba	W-424	1,546	-0-	36	-0-	1	-0-
Hunter Water Company	Mecklenburg	W-534	8,310	-0-	125	-0-	1	-0-
Huntley, F.W., Construct. Co., Inc.	Mecklenburg	W-477	815	-0-	16	-0-	1	-0-
J & H Water Company	Wake	W-686	1,373	-0-	12	-0-	2	-0-
Jackson Hamlet Water Supply	Moore	W-575	6,435	-0-	113	-0-	1	-0-
Jones, Mrs. J.W.	Gaston	W-422	500	-0-	11	-0-	1	-0-
Jones, Vernon	Lenoir	W-620	2,283	-0-	28	-0-	1	-0-
Kanuga Park Water System	Henderson	W-580	1,440	-0-	20	-0-	1	-0-
Lakeside Estates Water Company	Wake	W-359	1,032	-0-	17	-0-	1	-0-
Lake Terrace Water System, Inc.	Cleveland	W-683	-0-	-0-	33	-0-	1	-0-
Lowesville Water Company, Inc.	Lincoln	W-613	3,718	-0-	37	-0-	1	-0-
McCullers Pine Water System	Wake	W-727	-0-	-0-	12	-0-	1	-0-
McRae Construction Co., Inc.	Anson	W-466	344	-0-	62	-0-	1	-0-
Model Enterprises, Inc.	Montgomery	W-728	7,344	-0-	102	-0-	1	-0-
Morrison, Mott	Iredell	W-530	864	-0-	12	-0-	1	-0-
Moss, C.J.	Cabarrus	W-409	7,770	-0-	65	-0-	1	-0-
Mount Mitchell Lands, Inc.	Yancey	W-742	6,871	-0-	61	-0-	1	-0-
Northwood Developers of Orange Co. (Northwood Water Company)	Orange	W-690	7,156	-0-	78	-0-	1	-0-
North Topsail Water & Sewer, Inc.	Carteret	W-754	-0-	-0-	-0-	180	-0-	1
Oehler Water Company	Gaston	W-440	9,106	-0-	85	-0-	4	-0-
	Mecklenburg	W-440					1	-0-
Parris, Steddy Durbin, Jr.	Union	W-563	2,345	1,269	59	59	2	2
Patterson, James D.	Gaston	W-276	1,923	-0-	28	-0-	1	-0-
Piedmont Carolina Construction, Inc.	Franklin	W-768	1,125	-0-	19	-0-	1	-0-
Poplar Terrace Mobile Home Park	Buncombe	W-775	-0-	-0-	25	-0-	1	-0-
Powder Horn Utilities, Inc.	Watauga	W-478	10,438	-0-	156	-0-	4	-0-
Proctor Water Works	Gaston	W-663	1,605	-0-	17	-0-	1	-0-
Quail Hollow Water System, Inc.	Cleveland	W-427	1,552	-0-	27	-0-	1	-0-
Randolph Mills, Inc.	Randolph	W-536	4,437	1,087	85	25	1	1
Riverview Water System	Moore	W-723	2,674	-0-	27	-0-	1	-0-

FIGURE NO. 7-4 (Continued)

WATER AND SEWER COMPANIES THAT HAD NOT FILED A 1983 ANNUAL REPORT AS OF JANUARY 1, 1984.
NONCURRENT DATA IS FROM MOST RECENT REPORT FILED WITH THE COMMISSION.

Water and Sewer Companies	County	Docket Number	Annual Revenue		Number of Customers		Number of Systems	
			Water	Sewer	Water	Sewer	Water	Sewer
Rollingwood Water System, Inc.	Cleveland	W-428	$ 8,188	$ -0-	64	-0-	1	-0-
Rose Hill Associates Water Co.	Pitt	W-677	-0-	-0-	259	259	1	1
Ross, Sanford E.	Haywood	W-618	905	-0-	28	-0-	1	-0-
Ruff Water Company	Gaston	W-435	40,254	-0-	488	-0-	9	-0-
Sandhill Acres Investment Co., Inc.	Montgomery	W-479	5,972	-0-	43	-0-	1	-0-
Shamrock Water Corporation	Catawba	W-432	5,352	-0-	58	-0-	1	-0-
Shiloh Water Company	Catawba	W-619	1,140	-0-	20	-0-	1	-0-
Simco, Inc.	Union	W-356	1,732	-0-	35	-0-	1	-0-
Stewart, Paul A.	Gaston	W-414	4,137	-0-	124	-0-	2	-0-
Sugar Mountain Utility Company	Avery	W-482	80,311	55,431	603	467	1	1
Sweet Water Mountain Land Company	Yancey	W-692	-0-	-0-	-0-	-0-	1	-0-
Tobacco Branch Village, Inc.	Graham	W-504	385	-0-	12	-0-	1	-0-
Touch & Flow Water Systems	Randolph	W-201	17,043	-0-	140	-0-	1	-0-
	Wake						4	-0-
Umstead Water Company	Wake	W-282	8,893	-0-	47	-0-	2	-0-
Utility Systems, Ltd.	Wake	W-463	-0-	9,370	-0-	74	-0-	1
Valleydale Water Company	Gaston	W-272	3,582	-0-	45	-0-	1	-0-
Waller, Louis, C., M.D.	Buncombe	S-001	-0-	3,920	-0-	49	-0-	1
Watauga Vista Water Corporation	Macon	W-447	8,214	-0-	96	-0-	1	-0-
Waterco, Inc.	Mecklenburg		-0-	-0-	-0-	-0-	1	-0-
Water Systems Corporation	Durham	W-681	3,828	-0-	38	-0-	1	-0-
Weber Development Company	Avery	W-589	540	-0-	9	-0-	1	-0-
Weston, W.A.	Wake	W-285	4,464	-0-	101	-0-	1	-0-
Wilkes, Charles E.	Cumberland	W-201	-0-	3,618	121	67	1	1
Wilson, Mitchell B.	Rockingham	W-602	3,508	-0-	59	-0-	1	-0-
Woods Water Works, Inc.	Surry	W-735	1,517	-0-	23	-0-	1	-0-
Total: Companies: 89			$ 651,913	$ 140,363	8,144	2,233	182	16

FIGURE NO. 7-5

SELECTED FINANCIAL AND STATISTICAL DATA OF COMPANIES COMPRISING THE LARGEST WATER UTILITY OPERATIONS
REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION
Data for the Year Ended December 31, 1983

Revenues and Expenses:	Brookwood Water Corporation	Duke Power Company	Hasty Water Utilities	Heater[1] Utilities Inc.	LaGrange Waterworks Corporation	Piedmont Construction & Water Co.	Quality Water Supplies	Total Water Utilities
Total Revenue	$ 460,607	$ 1,221,206	$ 318,721	$ 561,976	$ 263,777	$ 342,840	$ 191,847	$ 3,360,974
Operation & Maintenance Expenses	$ 292,966	$ 857,849	$ 239,318	$ 410,682	$ 237,537	$ 271,118	$ 149,936	$ 2,459,406
Depreciation & Amortization	74,529	199,412	18,647	34,092	34,034	43,062	24,516	428,292
Federal & State Income Taxes	23,428	-0-	-0-	4,672	-0-	6,420	5,877	40,397
Other Taxes	27,693	110,155	15,599	39,903	17,618	24,614	13,580	249,162
Total Operating Expenses	$ 418,616	$ 1,167,416	$ 273,564	$ 489,349	$ 289,189	$ 345,214	$ 193,909	$ 3,177,257
Net Operating Income	$ 41,991	$ 53,790	$ 45,157	$ 72,627	$ (25,412)	$ (2,374)	$ (2,062)	$ 183,717
Operating Ratio	90.9%	95.6%	85.8%	87.1%	$ 109.6%	100.7%	101.1%	94.5%
Other Income & Expenses (Includes Interest)	$ (26,156)	$ -0-	$ 242	$ (31,555)	$ 9,869	$ 88,628	$ 117	$ 41,145
Net Income	$ 15,835	$ 53,790	$ 45,399	$ 41,072	$ (15,543)	$ 86,254	$ (1,945)	$ 224,862
Balance Sheet Items:								
Gross Plant in Service	$ 2,320,239	$ 13,714,745	$ 1,068,166	$ 4,505,822	$ 1,020,312	$ 543,105	$ 643,730	$ 23,816,119
Less: Depreciation Reserve	589,954	1,874,642	72,824	1,264,443	281,239	269,948	225,066	4,578,116
Net Plant in Service	$ 1,730,285	$ 11,840,103	$ 995,342	$ 3,241,379	$ 739,073	$ 273,157	$ 418,664	$ 19,238,003
*Contributions in Aid of Construction	$ 1,573,033	N/A	$ 792,140	$ 2,998,397	$ 560,194	-0-	$ 457,884	$ 6,381,648
*Plant Acquisition Adjustment	$ 85,481	N/A	-0-	$ 368,717	$ 40,076	$ -0-	$ -0-	$ 494,274
Statistics:								
Total Customers	4,453	3,900	2,196	2,794	2,717	1,909	1,369	19,338
Total Water Consumption (000's gallons)	401,142	1,205,580	177,392	N/A	200,000	N/A	118,064	2,102,178
Operation & Maintenance Expense per Total Customer	$ 65.79	$ 219.96	$ 108.98	$ 146.99	$ 87.43	$ 142.02	$ 109.52	$ 127.18
Total Expense per Total Customer	$ 94.00	$ 299.34	$ 124.57	$ 175.14	$ 106.44	$ 180.83	$ 141.64	$ 164.30
Gross Plant Investment per Total Customer	$ 521.05	$ 3,516.60	$ 486.41	$ 843.82	$ 375.53	$ 284.50	$ 470.22	$ 1,231.57
Dep'n. Expense as % of Gross Plant	3.2%	1.5%	1.7%	1.4%	3.3%	7.9%	3.8%	1.8%
Residential Revenue (Metered)	$ 421,816	$ 412,262	$ 318,721	$ 549,985	$ 262,287	$ 267,170	$ 186,333	$ 2,418,574
Residential Customers (Metered)	4,434	3,365	2,196	2,716	2,717	1,515	1,357	18,300
Residential Water Used (Metered) (000's gallons)	401,142	199,426	177,392	206,249	200,000	N/A	115,060	1,299,269
Average Gallons Used per Residential Customer	90,470	59,265	80,780	75,939	73,610	N/A	84,790	77,407
Average Revenue per Residential Customer	$ 95.13	$ 122.51	$ 145.14	$ 202.50	$ 96.54	$ 176.35	$ 137.31	$ 132.16

*These amounts are included in the "Gross Plant in Service" account. They are shown separately because they are excluded from the plant investment account for general rate-making purposes.
[1] Gross Plant in Service for Heater Utilities includes North Carolina and South Carolina operations. The Gross Plant Investment per Total customer and depreciation expense are based upon North Carolina total plant of $2,357,641.
N/A-Not Available.

FIGURE NO. 7-6

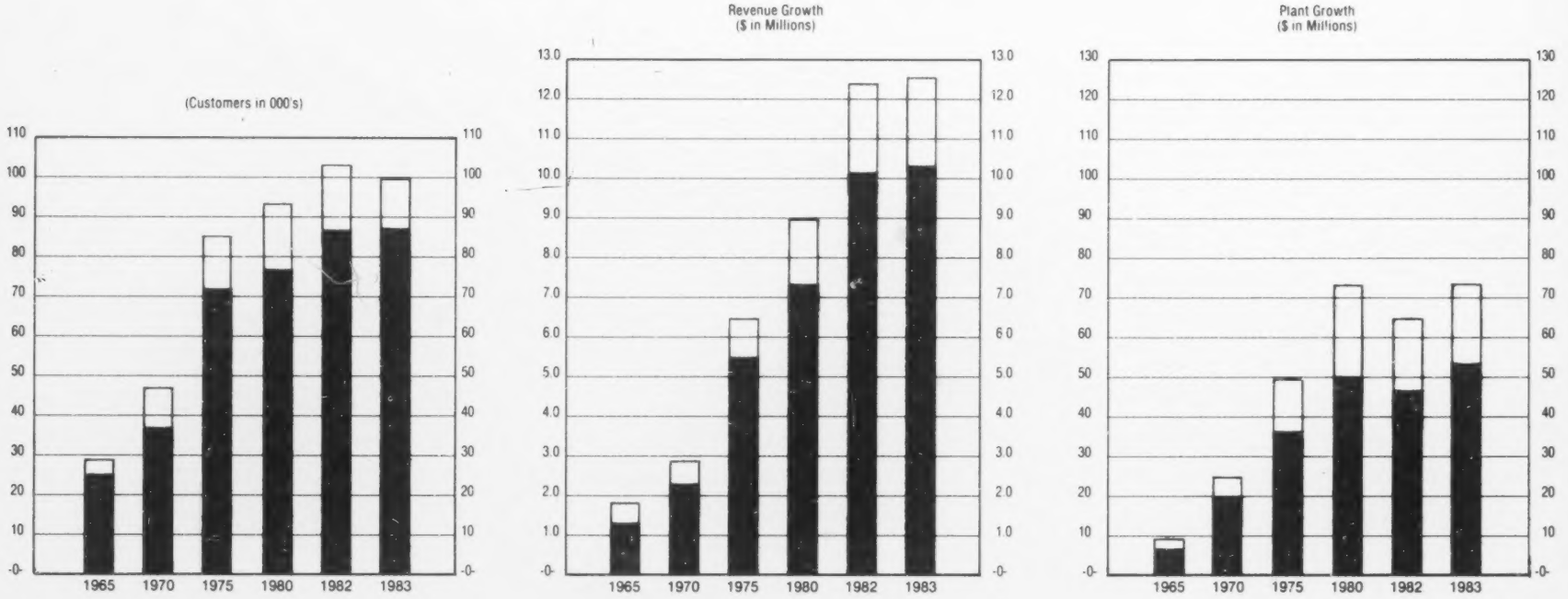
SELECTED FINANCIAL AND STATISTICAL DATA OF COMPANIES COMPRISING THE LARGEST WATER/SEWER UTILITY OPERATIONS REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION
Data for the Year Ended December 31, 1983

Revenues and Expenses:	Cape Fear Utilities Inc.	Carolina Water Service	Cumberland Water Company	Mercer Environmental Corporation	Montclair Water Company	Pinehurst Inc. Water & Sewer Div.	Transylvania Utility Company	Total Water/Sewer Utilities
Total Revenue	$ 412,859	$ 1,379,279	$ 561,572	$ 393,098	$ 542,840	$ 503,402	$ 297,540	$ 4,090,590
Operation & Maintenance Expenses	$ 244,391	$ 976,507	$ 508,716	$ 302,082	$ 465,040	$ 587,825	$ 287,187	$ 3,371,748
Depreciation & Amortization	62,681	117,546	153,827	40,129	95,010	65,284	-0-	534,477
Federal & State Income Taxes	43,504	(12,719)	11,104	3,574	9,665	-0-	-0-	55,128
Other Taxes	33,605	90,250	41,354	29,343	40,972	21,087	17,467	274,078
Total Operating Expenses	$ 384,181	$ 1,171,584	$ 715,001	$ 375,128	$ 610,687	$ 674,196	$ 304,654	$ 4,235,431
Net Operating Income	$ 28,678	$ 207,695	$ (153,429)	$ 17,970	$ (67,847)	$ (170,794)	$ (7,114)	$ (144,841)
Operating Ratio	93.1	84.9	127.3	95.4	112.5	133.9	102.4	103.5
Other Income & Expenses (Includes Interest)	$ (25,386)	$ (180,936)	$ 54,923	$ 11,079	$ (5,513)	$ -0-	$ 4,625	$ (141,208)
Net Income	$ 3,292	$ 26,759	$ (98,506)	$ 29,049	$ (73,360)	$ (170,794)	$ (2,489)	$(286,049)
Balance Sheet Items:								
Gross Plant in Service	$ 2,158,248	$ 13,607,663	$ 3,491,341	$ 1,192,781	$ 2,861,219	$ 3,108,258	$ 68,797	$ 26,488,307
Less: Depreciation Reserve	519,100	1,036,575	1,590,956	309,004	803,409	114,135	4,137	4,377,316
Net Plant in Service	$ 1,639,148	$ 12,571,088	$ 1,900,385	$ 883,777	$ 2,057,810	$ 2,994,123	$ 64,660	$ 22,110,991
*Contributions in Aid of Construction	$ 1,292,619	$ 6,068,666	$ 2,024,839	$ 888,585	$ 2,911,866	$ -0-	$ 193,197	$ 13,379,772
*Plant Acquisition Adjustment	-0-	61,236	-0-	$ 235,124	-0-	-0-	-0-	$ 296,360
Statistics:								
Total Customers	1,960	8,006	4,091	1,555	3,851	1,963	3,096	24,522
Total Water Consumption (000's gallons)	162,380	N/A	392,702	128,082	N/A	259,044	N/A	942,208
Operation & Maintenance Expense per Total Customer	$ 124.69	$ 121.97	$ 124.35	$ 194.26	$ 120.76	$ 299.45	$ 92.76	$ 137.50
Total Expense per Total Customer	$ 196.01	$ 146.34	$ 174.77	$ 241.24	$ 158.58	$ 343.45	$ 98.40	$ 172.72
Gross Plant Investment per Total Customer	$ 1,101.15	$ 1,699.68	$ 853.42	$ 767.06	$ 742.98	$ 1,583.42	$ 22.22	$ 1,080.19
Dep'n. Expense as % of Gross Plant	2.9%	1.0%	4.4%	3.4%	3.3%	2.1%	N/A	2.0%
Residential Revenue (Metered)	$ 267,749	$ 1,014,779	$ 316,732	$ N/A	$ 240,363	$ 152,910	$ N/A	$ 1,992,533
Residential Customers (Metered)	1,950	8,006	3,803	1,400	2,521	1,790	N/A	19,470
Residential Water Used (Metered) (000's gallons)	158,743	N/A	356,128	104,180	N/A	159,349	N/A	778,400
Average Gallons Used per Residential Customer	81,407	N/A	93,644	74,414	N/A	89,021	N/A	87,040
Average Revenue per Residential Customer	$ 137.31	$ 126.75	$ 83.28	$ N/A	$ 95.34	$ 85.42	$ N/A	$ 110.27

N/A-Not Available.
*These amounts are included in the "Gross Plant in Service" account. They are shown separately because they are excluded from the plant investment account for general rate-making purposes.

FIGURE NO. 7-7

CUSTOMERS, REVENUE, AND PLANT GROWTH OF ALL REGULATED
WATER & SEWER COMPANIES IN NORTH CAROLINA
FOR THE YEARS 1965, 1970, 1975, 1980, 1982, and 1983.



LEGEND

Water

Sewer

		1965	1970	1975	1980	1982	1983
Water:	Customers	24,030	38,700	71,000	76,581	86,291	84,992
	Revenues	$1,260,100	$ 2,223,700	$ 5,600,000	$ 7,324,000	$10,142,057	$10,568,833
	Plant	$9,693,500	$20,086,100	$37,000,000	$48,855,000	$44,686,786	$54,257,660
Sewer:	Customers	2,470	5,300	13,000	16,187	16,632	14,564
	Revenues	$ 129,500	$ 244,900	$ 600,000	$ 1,543,000	$ 2,413,069	$ 2,081,889
	Plant	$ 996,400	$ 2,161,800	$13,000,000	$22,514,000	$18,819,628	$21,172,699
Number of Companies		117	158	349	398	375	375

FIGURE NO. 7-8

COMPARATIVE MONTHLY CHARGES FOR RESIDENTIAL WATER SERVICE IN NORTH CAROLINA
for December 31, 1983

Nonregulated Systems

Publicly Owned Systems	Inside City Limits 3,000 gal.	6,000 gal.	9,000 gal.
Asheville	$ 8.48	$ 15.64	$ 22.80
Charlotte	3.10	5.02	6.94
Greensboro	2.68	5.36	8.04
Raleigh	5.31	9.28	13.25
Wilmington	4.00	8.00	12.00
Winston-Salem	2.78	5.56	8.34
Average - (Simple)	$ 4.39	$ 8.14	$ 11.90

Regulated Systems

Privately Owned Systems Regulated by Commission (Class B or Larger)	Inside Service Area 3,000 gal.	6,000 gal.	9,000 gal.
Highest Rate	$ 11.10	$ 17.30	$ 23.90
Lowest Rate	4.50	6.65	8.30
Average Rate[1] - (Simple)	$ 8.23	$ 12.62	$ 17.02

COMPARATIVE MONTHLY CHARGES FOR RESIDENTIAL
SEWER SERVICE IN NORTH CAROLINA
AT DECEMBER 31, 1983

Nonregulated Systems

Publicly Owned Systems	Inside City Limits 3,000 gal.	6,000 gal.	9,000 gal.
Asheville	$ 1.60	$ 3.20	$ 4.80
Charlotte	3.98	6.78	9.58
Greensboro	2.04	4.08	6.12
Raleigh	3.62	6.44	9.27
Wilmington	5.16	10.32	15.48
Winston-Salem	2.24	4.48	6.72
Average[1] (Simple)	$ 3.11	$ 5.88	$ 8.66

Regulated Systems

Privately Owned Systems Regulated by Commission (Class B or Larger)	Inside Service Area 3,000 gal.	6,000 gal.	9,000 gal.
Highest Rate	$ 20.59	$ 20.59	$ 20.59
Lowest Rate	$ 4.50	$ 7.68	$ 10.36
Average Rate[2] (Simple)	$ 11.97	$ 13.35	$ 14.73

[1]The average rate is computed by using the water charges from these six companies: Brookwood, Water Corp., Duke Power Co., Hasty Water Utilities, Heater Utilities, LaGrange Water Works, and Piedmont Construction Co.
[2]The average rate is computed by using the sewer charges from these six companies: Cape Fear Utilities, Carolina Water Service, Cumberland Water Co., Mercer Environmental Corp., Monclair Water Co., and Pinehurst, Inc.

VIII. Securities, Audits, And Annual Reports

A. SECURITIES ISSUES—COMMENTS

The Commission approved 12 applications for the issuance of electric, gas, and telephone securities and borrowings during 1983 compared to 14 applications in 1982. The 1983 applications covered $229,095,000 compared to $1,211,000,000 in 1982.

The securities applications are processed by personnel in the Finance, Statistics, Budget, and Planning Division of the Commission Staff, and reports and recommendations are made to the Commissioners. These reports evaluate and consider many factors such as: (1) The present and projected earnings position of the company, (2) the effect of the projected issue on the company's capital structure, (3) the expense of the issue, (4) the estimated net yield, (5) the probable market price per unit, (6) the purpose of the issue, (7) the use to which the proceeds are to be applied, (8) whether the issue is compatible with the overall public interest, and (9) the merits of the proposed method of marketing the securities; i.e., by competitive bidding, negotiations, or private placement.

The new capital raised through the sale of securities is primarily for the replacement of short-term borrowings, which have been used largely for new utility plant construction, modernization, and improvement of existing plant to meet increased demands for additional and improved service. Figure No. 8-1 shows detailed data for each securities issue approved by the Commissioners in 1983.

B. AUDITS AND EXAMINATIONS—COMMENTS

Personnel of the Commission's Public Staff Accounting Division perform extensive field audits of the operations of public utilities. The results of each of these audits are a part of the Public Staff's position on matters before the Commission, and they are filed with the Chief Clerk as an official document if they are part of a general rate case proceeding. A brief summary of audits and special studies for 1983 follows:

Utility and Type Audit	1983 Number of Examinations
Electric	5
Gas	
General Rate Case & Earnings Investigation	3
Increased Cost of Purchased Gas, Exploration Surcharges, and Emergency Gas Curtailments	31
Telephone	11
Water and Sewer	41
Motor Freight and Motor Passenger Operating Ratios and Tariffs	54
Total	145

C. ANNUAL REPORTS—COMMENTS

For the years 1982 and 1983 there were 1,361 and 1,446 utilities, respectively, required to file annual reports of their operations with the Commission. This number includes 80 nonregulated municipal utility systems. The regulated utilities and the municipal utility systems' annual reports required to be filed with the Commission are prepared on forms furnished to them by the Commission's Public Staff Accounting Division. All completed and returned annual reports of the larger utilities are reviewed in detail for compliance with the Uniform System of Accounts.

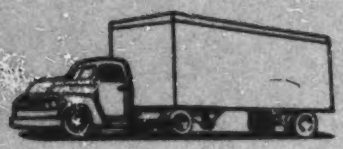
FIGURE NO. 8-1

SECURITIES ISSUES — NEW CAPITAL (Primarily) For the Calendar Year 1983
Amount Authorized for Total Company Operations ($ Amount in 000's)

Name of Company	Docket Number	Date of Order	Total Amount: Face Value	Total Amount: Net to Company	Price/Yield Data: Stated Interest Rate/Price Per Share	Price/Yield Data: Yield at Offering	Type of Security Transaction: Security Rating at Offering	Type of Security Transaction: How* Sold	Type of Security Transaction: Bonds Debentures Bank Loans	Type of Security Transaction: Common Stock Shares Authorized	Purpose of Financing & Other Comments
ELECTRIC											
Carolina Power & Light Co	E-2, Sub 462	3-24-83	$ 48,485	$ 47,741	5.65%		A	N	$ 48,485		The interest on these bonds is tax exempt.
			5,970	5,726	5.65%		A	N	5,970		The bonds have adjustable interest rate options.
	E-2, Sub 466	7-20-83	(A)		Market price when issued			I		6,000,000	Common shares to be used in dividend reinvestment plan.
	E-2, Sub 470	8-4-83	(A)		Market price when issued			I		1,000,000	Common shares to be used in Employee Stock ownership Plan.
	E-2 Sub 478	12-16-83	$ 34,700		7.00%		A	N	$ 34,700		CP&L bonds used as collateral for Pollution Control Revenue bonds issued by Darlington County, S.C. Proceeds for pollution control facilities at Robinson Nuclear Plant in South Carolina.
	E-2, Sub 459	12-22-82 offered 12-7-83	$ 100,000	$ 97,625	12.875%	13.07%	A	N	$ 100,000		To be used to purchase Class B Stock of RTB.
Duke Power Co	E-7, Sub 360	2-24-83	(A)		Market price when issued			I		1,500,000	Common Stock for Customer Stock Purchase Plan.
Total			$ 189,155	$ 151,092					$ 189,155	8,500,000	
GAS											
Piedmont Natural Gas Co	G-9, Sub 230	3-9-83	$ 20,000		11.50%		NR	N	$20,000		Long term debt - 7 year Promissory Note. First three years interest only due - average life 5.5 years.
	G-9, Sub 238	11-9-83	(A)		Market price when issued			I		1,500,000	Common Stock dividend reinvestment plan.
Pennsylvania & Southern Gas Co	G-3, Sub 118	6-13-83	$ 1,500		Prime Less ¼ of 1%		NR	P	$ 1,500		Five Year Term Loan. Interest rate to be ¼ of 1 percent under the lender's prime rate (Commonwealth Bank and Trust Co. — Sayre, Pennsylvania).
Total			$21,500						$ 21,500	1,500,000	
TELEPHONE											
Continental Telephone Co	P-128, Sub 2	3-23-83	$ 5,000	$ 4,942	12.00%		NR	P	$ 5,000		First Mortgage Bonds - 12% Series - 5 year maturity.
Concord Telephone Co	P-16, Sub 150	8-17-83			Market price when issued			I	Class A voting	9,510	25 percent common stock dividend.
									Class B nonvoting	32,349	
Mid-Carolina Telephone (changed name to ALLTEL Carolina Telephone Co.)	P-118, Sub 29	12-22-83	$ 13,440		10.00%		NR	N	$ 13,440		First Mortgage Bonds, Series 1983-30 yr. RTB. Drawdown to be as needed after construction completed.
Total			$ 18,440	$ 4,942					$ 18,440	41,859	
GRAND TOTALS			$229,095	$ 156,034					$229,095	10,041,859	

*N-Negotiated; P-Private Placement; I-Internal; NR-Not Rated

(A)Issues of Common Stock authorized by Commission for use in various stock purchase and Employee Benefit Plans. Valuation of the shares are normally based on market price when issued.



IX. The Transportation Industry - Motor Freight Carriers

MOTOR FREIGHT CARRIERS

A. GENERAL COMMENTS

Motor freight carriers are divided into three groups according to annual operating revenues. The history of motor freight carriers' size classification is as follows:

Period & Source	Gross Operating Revenues Class I	Class II	Class III
1963-1969, R-2-48 (9-18-63)	$1,000,000 or more	$200,000-$1,000,000	$200,000 or under
1970-1973, M-100, Sub 25 (9-15-69)	$1,000,000 or more	$300,000-$1,000,000	$300,000 or under
1974-1979, M-100, Sub 53 (5-24-75)	$3,000,000 or more	$500,000-$3,000,000	$500,000 or under
1980- M-100, Sub 68 (2-5-82)	$5,000,000 or more	$1,000,000-$5,000,000	$1,000,000 or under

The Class I and II carriers generally transport both intrastate and interstate freight while the Class III carriers predominately operate only in intrastate commerce.

There were 825 regulated motor carriers as of December 31, 1983. In 1983 the 110 Class I carriers and 116 Class II carriers accounted for approximately 90% of the total motor freight revenues generated in North Carolina.

Transfer of Insurance and Registration to DMV

Senate Bill 23 which was ratified July 15, 1983, transferred from the Commission to the N.C. Division of Motor Vehicles all functions relating to the safety enforcement of motor carriers, the registration of vehicles, the filing of insurance, and the issuance of exemption certificates. This leaves the Commission with jurisdiction over market entry and rates for motor carriers which is administered by the Transportation Division.

B. DUTIES OF THE TRANSPORTATION DIVISION

Intrastate

The Commission Staff Transportation Division is charged with the economic and safety regulation of all certified motor freight carriers operating within the borders of the State. All applications for new authority grants, transfers of certificates, and cancellations of certificates are handled through this Division. Also, all complaints relating to the quality of freight service, or the lack of it, are investigated by the Division.

The Public Staff Transportation Rates Division has the responsibility for maintaining up-to-date files of current rate and service tariffs of all intrastate transportation utility companies. In addition the Public Staff reviews all applications for new or amended rate tariffs. In contested rate cases, rule-making investigations, abandonments, mergers, and related matters, the Public Staff presents testimony in support of the position of the using and consuming public before the Commission.

The Public Staff has developed and implemented rate-making rules and procedures designed to provide cost-of-service data for the North Carolina portion of service furnished by the various transportation companies under regulation. The purpose of the cost data is to assure that the companies charge the lowest level of reasonable rates.

The Public Staff offers technical assistance to the Commission and the general public in dealing with transportation matters and investigates consumer complaints involving any regulated transportation utility company.

C. COMMISSION ACTIVITIES

During 1983 a total of 68, or 30%, of the Commission's 227 formal hearings were related to the trucking industry; for 1982 the number of truck hearings was 48 and represented 25.8% of the 186 formal hearings. The Commission sometimes settles tariff filings and other filings based on Public Staff and Commission Staff studies and recommendations presented at Monday morning conference sessions. During these sessions, if there are no protests and the need for the requested changes are either sanctioned by or undisputed by either staff, they are allowed to become effective without holding a formal hearing as in the past.

D. IMPACT OF MOTOR CARRIER REFORM ACT OF 1980

A bill (Senate Bill 2245) to encourage the deregulation of the trucking industry was signed into law on July 1, 1980. The Motor Carrier Reform Act of 1980 was designed to reduce unnecessary regulation by the Federal government. This act increases opportunities for firms in the trucking industry to operate without interference from the government.

The primary purpose of the act is to enhance competition by allowing for easier entry into the trucking field, the removal of certain operating restrictions, and the establishment of certain motor carrier flexibility. S2245 adopts a new section which reflects the strong belief that competition will bring about the most efficient and economical delivery of transportation service to the public. The Motor Carrier Reform Act of 1980 relaxes the requirements for trucks wanting to enter the market and lets the existing trucking companies easily expand their operations. The new entry section retains the traditional test that all applicants must be fit, willing, and able. However, this reform act creates the presumption that all proposed transportation is in the public interest; and therefore, a diversion of revenue or traffic from the proposed carrier is not of itself inconsistent with the public convenience and necessity. There must be sufficient evidence that the transportation would be inconsistent with the present or future public convenience and necessity to justify denial of an application. Secondly,

inefficient and fuel wasteful operating restrictions are removed under this act. Also, motor carriers are allowed to remove additional operating restrictions from their certificates and permits which are not productive or are energy wasteful. The reform act also encourages rate flexibility. In the future carriers will have the ability to price their services within certain limits substantially free of Federal regulation.

The Motor Carrier Reform Act of 1980 provides a three-year transition from the new regulatory environment with major changes in ratemaking beginning in July 1983. This act is Federal legislation and, therefore, affects only interstate commerce. The number of vehicles which have previously been registered with the Commission and will be registered with the N.C. Division of Motor Vehicles in subsequent periods by interstate carriers will be increasing significantly in the future.

The following tabulation shows motor carriers which hold authority from the Commission classified by type.

Type	1975	1980	1981	1982	1983
Common	524	555	536	554	666
Contract	86	120	132	136	137
Common & Contract	21	25	22	18	21
Railroad Motor	5	5	5	4	1
Total	636	705	695	712	825

"Common carrier by motor vehicle" means any person who holds himself out to the general public to engage in the transportation by motor vehicle in intrastate commerce of persons or property of any class or classes thereof for compensation, whether over regular or irregular routes, except as exempted in G.S. 62-260.

"Contract carrier by motor vehicle" means any person who, under an individual contract or agreement with another person and with such additional persons as may be approved by the Utilities Commission, engages in the transportation other than the transportation referred to in the above paragraph, by motor vehicle of persons or property in intrastate commerce for compensation, except as exempted in G.S. 62-260.

E. SUMMARY OF OPERATING DATA

A list of the Class I and II motor freight carriers, with selected operating financial data is shown in Figure Nos. 9-1 and 9-2. Data for the Class III motor freight carriers is listed in Figure No. 9-3.

There were 480 Class III motor carriers filing 1983 annual reports with the North Carolina Utilities Commission. Often useful data for many of the Class III carriers is not available and in many instances is nonexistent. Therefore, the reported data does not reflect information for all the certified Class III motor carriers operating in North Carolina.

A summary of selected data for the Class I and II carriers for the 1983 calendar year is shown in Figure No. 9-4. It should be noted that the operating revenues for North Carolina are from freight moved on intrastate tariffs regulated by the North Carolina Commission only; therefore, they account for a very small percentage of the total revenues generated by this group of carriers (3%). Reports for years prior to 1979 have shown total North Carolina revenues to be about 8% to 10% of total systemwide revenues. The prior years' data included revenues which were generated from freight moved on both North Carolina (intrastate) and Interstate Commerce Commission (interstate) tariffs.

FIGURE NO. 9-1

MOTOR FREIGHT CARRIERS — CLASS I
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(Dollars in 000's)

	North Carolina Regulated Revenues		Total Company Revenues		Total Company Expenses		Net Operating Revenues		Operating Ratios		N.C. Employee Data: Average Number of Employees		N.C. Employee Data: Total Salaries Paid	
Mobile Home Movers:	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983
Barrett Mobile Home Transport, Inc.	$ N/A	$ N/A	$ 6,931	$ 11,797	$ 7,115	$ 11,311	$ (184)	$ 486	102.6%	95.9%	-0-	-0-	$ -0-	$ -0-
Home Transportation, Inc.	110	57	36,210	31,460	35,844	31,277	366	183	98.9	99.4	7	7	114	95
Morgan Drive-Away, Inc.	99	42	32,339	42,013	30,307	40,057	2,032	1,956	93.7	95.3	8	8	65	68
N T C American, Inc.	3	14	42,155	55,741	41,331	53,709	824	2,032	98.0	96.4	-0-	1	-0-	4
Total	$ 212	$ 113	$ 117,635	$ 141,011	$ 114,597	$ 136,354	$ 3,038	$ 4,657	97.4%	96.7%	15	16	$ 179	$ 167
Household Goods Movers:														
Burnham Service Company, Inc.	$ 20	$ N/A	$ 55,187	$ 55,002	$ 49,383	$ 49,473	$ 5,804	$ 5,529	89.5%	89.9%	83	-0-	$ 1,612	$ -0-
Electronics Transport, Inc.	N/A	798	N/A	10,882	N/A	10,755	N/A	127	N/A	98.8	N/A	24	N/A	363
Lawrence Transfer & Storage	60	111	6,078	6,737	6,822	7,470	(744)	(733)	112.3	110.9	31	53	426	650
Lentz Transfer and Storage Company	49	53	4,001	5,065	3,870	4,993	131	72	96.0	98.6	66	95	1,264	1,703
North American Van Lines, Inc.	12	13	491,273	555,428	471,042	539,426	20,231	16,002	95.8	97.1	4	6	76	107
Stuart Transportation Corporation	N/A	1,153	N/A	7,403	N/A	7,089	N/A	314	N/A	95.8	N/A	115	N/A	2,674
Total	$ 141	$ 2,128	$ 552,538	$ 640,517	$ 527,247	$ 619,206	$ 25,291	$ 21,311	95.4%	96.7%	118	293	$ 2,114	$ 5,497
General Commodities Carriers:														
ABF Freight System, Inc.	$ 41	$ 35	$ 302,901	$ 349,987	$ 307,591	$ 343,632	$ (4,690)	$ 6,355	101.5%	98.2%	280	263	$ 7,780	$ 8,278
Alterman Transport Lines, Inc.	220	110	44,671	45,266	43,671	44,344	1,000	922	97.8	98.0	54	55	830	1,046
Anderson Truck Line, Inc.	1,394	1,702	4,497	5,489	4,261	5,181	236	308	94.8	94.4	130	156	1,705	2,137
Associated Petroleum Carriers, Inc.	3,641	4,015	30,267	32,707	30,415	31,963	(148)	744	100.0	97.7	-0-	-0-	-0-	-0-
B I. Transportation, Inc.	2,704	544	62,256	72,446	54,668	59,189	7,588	13,257	87.8	81.7	642	662	14,674	16,413
B & L Motor Freight, Inc.	-0-	-0-	27,930	20,893	27,826	20,756	104	137	99.6	99.3	2	-0-	23	-0-
B & P Motor Lines, Inc.	N/A	N/A	7,322	9,426	7,373	9,470	(51)	(44)	101.0	100.5	36	41	532	691
Baker Transport, Inc.	N/A	-0-	5,831	8,756	5,696	8,575	135	181	97.7	97.9	-0-	-0-	-0-	-0-
Billings Tansfer Corp., Inc.	471	639	12,630	13,549	12,300	12,580	330	969	94.4	92.8	206	208	4,514	4,661
Blue Ridge Transfer Co., Inc.	N/A	N/A	29,450	32,556	29,222	30,995	228	1,561	99.2	95.2	73	N/A	1,023	N/A
Boone, A.G., Company	4,001	4,490	8,835	9,246	8,444	8,922	391	324	95.6	96.5	136	137	3,007	3,047
Brown Transport Corporation	-0-	-0-	137,969	150,278	130,597	139,577	7,372	10,701	94.6	92.9	170	188	3,921	4,650
Builders Transport, Inc.	1,206	1,789	48,480	58,455	46,186	53,631	2,294	4,824	95.2	91.7	156	140	2,448	3,111
Burton Lines, Inc.	1,050	N/A	10,261	9,858	9,689	9,235	572	623	94.4	93.7	82	N/A	1,802	N/A
Byrd Motor Line, Inc.	-0-	-0-	5,741	6,804	5,713	6,552	28	252	99.5	96.3	115	125	2,060	2,480
C & H Transportation Co., Inc.	2,234	998	116,408	97,605	109,245	95,502	7,163	2,103	93.8	97.8	20	13	241	282
Cabarrus Consolidating & Management Co.	N/A	101	N/A	5,236	N/A	4,602	N/A	634	N/A	88.0	N/A	64	N/A	1,338
Caldwell Freight Carriers Corp.	275	372	6,591	7,572	5,727	6,602	864	970	86.9	87.2	133	142	1,979	2,509
Carolina Freight Carriers Corp.	953	885	268,373	327,363	256,389	304,291	11,984	23,072	95.5	93.0	2,075	2,215	56,283	62,362
Catawba Trucking Co., Inc.	N/A	100	N/A	8,147	N/A	7,125	N/A	1,022	N/A	87.5	N/A	1	N/A	25
Central Transport, Inc.	1,976	2,633	25,307	31,002	23,426	28,211	1,881	2,791	92.6	91.0	206	203	3,859	4,235
Chemical Leaman Tank Lines, Inc.	1,028	2,035	151,456	145,695	152,842	148,099	(1,386)	(2,404)	100.0	100.3	77	82	2,143	2,517
Coast Refrigerated Trucking Co.	-0-	-0-	12,809	11,690	12,091	10,626	718	1,064	94.4	90.9	18	19	322	313
Colonial Motor Freight Line, Inc.	N/A	N/A	12,631	16,032	12,298	13,785	333	2,247	97.4	86.0	N/A	N/A	N/A	N/A
Consolidated Freightways	41	53	1,036,826	1,116,596	979,701	1,021,795	57,125	94,801	94.4	91.5	480	530	14,032	15,763
Cresco Lines, Inc.	95	82	13,943	15,351	13,722	15,031	221	320	98.4	97.9	-0-	-0-	-0-	-0-
Crete Carrier Corporation	-0-	-0-	59,239	62,763	55,712	59,424	3,527	3,339	95.8	94.7	-0-	-0-	-0-	-0-
DPD, Inc.	N/A	15	N/A	27,559	N/A	26,088	N/A	1,471	N/A	94.7	N/A	N/A	N/A	N/A
Dallas & Mavis Forwarding Co., Inc.	N/A	-0-	N/A	42,715	N/A	40,984	N/A	1,731	N/A	95.9	N/A	24	N/A	657
Decato Bros. Trucking Co.	7	22	5,758	7,188	5,596	6,938	162	250	97.2	96.5	-0-	-0-	-0-	-0-
Dewitt, L.G., Trucking Company, Inc.	-0-	6,920	7,309	12,983	8,948	13,414	(1,639)	(431)	122.4	103.3	172	235	2,248	3,408
Distribution Service Systems, Inc.	-0-	N/A	21,710	33,657	21,635	33,786	75	(129)	99.7	100.4	625	N/A	1,237	N/A
Epes Transport System, Inc.	1,162	934	13,022	13,738	12,860	13,895	162	(157)	98.7	101.1	120	144	2,503	2,279
Estes Express Lines	8,887	9,156	41,525	49,457	39,383	44,347	2,142	5,110	94.8	89.7	565	577	N/A	11,601
Evans, C & N, Trucking Co., Inc.	N/A	-0-	N/A	23,023	N/A	22,326	N/A	697	N/A	97.0	N/A	393	N/A	5,302
Everette Truck Lines, Inc.	50	34	6,059	6,501	5,880	6,242	179	259	97.0	96.0	47	44	722	697

FIGURE NO. 9-1 (Continued)

MOTOR FREIGHT CARRIERS — CLASS I
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(Dollars in 000's)

General Commodities Carriers:	North Carolina Regulated Revenues		Total Company Revenues		Total Company Expenses		Net Operating Revenues		Operating Ratios		N.C. Employee Data: Average Number of Employees		N.C. Employee Data: Total Salaries Paid	
	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983
Fleet Transport Co., Inc.	$ 31,093	$ 944	$ 31,902	$ 35,412	$ 32,707	$ 35,467	$ (805)	$ (55)	102.5%	100.2%	11	14	$ 268	$ 182
Food Carrier, Inc.	551	N/A	5,511	7,921	4,971	N/A	540	N/A	90.0	N/A	-0-	N/A	-0-	N/A
Forbes Transfer Company, Inc.	578	612	6,276	6,623	6,114	6,394	162	229	97.4	96.5	56	62	919	1,072
Fredrickson Motor Express Corp.	15,175	18,511	24,943	32,181	24,136	30,170	807	2,011	96.8	93.8	707	807	13,090	16,518
Gahler, H.C., Inc.	N/A	9	N/A	15,486	N/A	15,757	N/A	(271)	N/A	101.8	N/A	5	N/A	99
Gaines Motor Lines, Incorporated	N/A	-0-	N/A	8,755	N/A	7,741	N/A	1,014	N/A	88.0	N/A	77	N/A	1,744
Gilliland Transfer Co.	N/A	N/A	N/A	6,348	N/A	5,771	N/A	577	N/A	90.5	N/A	N/A	N/A	N/A
Glosson Enterprises, Inc.	42	94	4,098	6,392	4,052	5,709	46	683	98.8	89.3	81	104	1,058	1,683
Greenwood Motor Lines, Inc.	N/A	12	N/A	6,364	N/A	4,866	N/A	1,498	N/A	76.5	N/A	7	N/A	179
Gypsum Haulage, Inc.	-0-	-0-	12,439	13,850	12,439	12,001	1,121	1,849	91.0	86.6	-0-	-0-	-0-	-0-
H & W Trucking Co., Inc.	-0-	-0-	6,255	7,071	5,828	6,514	427	557	93.2	92.1	93	140	1,314	1,440
Herman Bros., Inc.	-0-	-0-	21,549	19,745	21,223	19,667	326	78	98.4	99.6	-0-	-0-	-0-	-0-
Holly Farms Poultry Industries, Inc.	-0-	597	13,253	12,906	16,875	17,002	(3,622)	4,096)	127.0	131.7	157	162	3,639	3,933
Indianhead Truck Lines, Inc.	-0-	-0-	28,759	28,811	28,505	27,701	254	1,110	99.1	96.1	-0-	-0-	-0-	-0-
Infinger Transportation Co., Inc.	49	36	7,570	8,891	7,319	8,206	251	685	96.7	92.3	21	20	341	332
Jefferson Trucking Company	7	1	10,957	12,977	11,230	11,897	409	1,080	96.5	91.7	-0-	-0-	-0-	-0-
Johnson, Bruce, Trucking Co., Inc.	2,003	1,877	12,636	11,378	12,969	11,776	(333)	(398)	102.6	103.5	195	187	3,901	3,335
Kenan Transport Company	2,253	5,727	24,929	27,391	22,348	24,043	2,581	3,348	89.6	87.8	195	210	4,470	4,471
Kenosha Auto Transport Corp.	38	-0-	38,799	46,678	38,509	46,140	290	538	99.3	98.8	18	-0-	475	-0-
Leaseway Deliveries, Inc.	N/A	-0-	N/A	5,249	N/A	4,958	N/A	291	N/A	94.5	N/A	-0-	N/A	-0-
Lebarnold, Inc.	N/A	167	N/A	6,947	N/A	6,901	N/A	46	N/A	99.3	N/A	61	N/A	768
Liquid Transporters	-0-	163	18,254	20,000	17,887	19,671	367	329	98.0	98.4	-0-	12	-0-	207
Lumber Transport, Inc.	N/A	284	N/A	8,814	N/A	8,278	N/A	536	N/A	93.9	N/A	-0-	N/A	-0-
McClendon, Glenn, Trucking Company	143	178	29,400	28,577	28,114	26,369	1,286	2,208	95.6	92.3	34	77	641	548
McLean Trucking Company	213	288	491,892	519,009	514,252	525,116	(22,360)	(6,107)	104.5	101.2	1	1,478	39	42,081
Mason & Dixon Lines, Incorporated, The	-0-	N/A	149,014	158,006	157,507	158,635	(8,493)	(629)	94.6	100.4	199	183	4,328	4,022
Melton Truck Lines, Inc.	N/A	3,060	N/A	47,520	N/A	46,792	N/A	728	N/A	98.5	N/A	4	N/A	58
Merchants Home Delivery Service, Inc.	-0-	N/A	20,829	32,204	18,935	29,403	1,894	2,801	90.9	91.3	-0-	N/A	-0-	N/A
Mitchell Transport	199	256	29,071	22,441	25,968	20,689	3,103	1,752	89.3	92.2	6	6	86	110
Moss Trucking Company, Inc.	315	567	12,559	13,521	12,424	12,841	135	680	98.9	95.0	119	120	2,657	2,499
Motor Convoy, Inc.	1,537	N/A	56,051	68,907	56,084	68,047	(33)	860	100.0	98.8	67	N/A	1,383	N/A
Murrow's Transfer, Inc.	207	229	7,854	9,187	6,639	8,121	574	1,066	92.7	88.4	134	147	2,524	2,938
National Freight, Inc.	22	55	78,160	77,663	78,019	77,036	141	627	99.8	99.2	3	5	56	123
Nu-Car Carriers, Inc.	4,222	4,347	79,158	94,585	77,300	91,179	1,858	3,406	97.7	96.4	42	29	1,276	1,359
O'Boyle Tank Lines, Inc.	568	578	14,787	14,199	14,820	13,927	(33)	272	100.2	98.1	12	-0-	92	-0-
Old Dominion Freight Line, Inc.	1,759	1,829	105,039	130,860	101,505	127,847	3,534	3,013	96.6	97.7	800	847	15,208	16,172
Oliver Trucking Company, Inc.	N/A	3,993	N/A	5,029	N/A	4,302	N/A	727	N/A	85.5	N/A	-0-	N/A	-0-
Overnite Transportation Co.	7,210	N/A	287,820	340,171	255,097	290,207	32,723	49,964	88.6	85.3	1,015	N/A	21,707	N/A
Pilot Freight Carriers, Inc.	-0-	N/A	154,034	188,039	161,410	196,140	(7,376)	(8,101)	104.8	104.3	1,267	N/A	38,626	N/A
Ploof Truck Lines, Inc.	4,917	94	28,156	32,253	25,390	27,278	2,766	4,975	90.2	84.6	55	56	821	1,057
Pony Express Courier Corp.	6,143	7,334	30,947	37,499	28,053	33,732	2,894	3,767	90.7	90.0	114	111	2,450	2,694
Purolator Courier Corp.	670	557	355,135	396,135	331,753	383,724	23,382	12,411	93.4	96.9	107	110	1,643	1,908
Redwing Carriers, Inc.	-0-	-0-	20,253	21,403	21,129	21,148	(876)	255	95.9	98.8	-0-	-0-	-0-	-0-
Roberts Express, Inc.	N/A	-0-	N/A	10,769	N/A	10,113	N/A	656	N/A	93.3	N/A	-0-	N/A	-0-
Russell Transfer, Incorporated	627	17,416	15,387	17,848	14,918	17,993	469	(145)	97.0	100.8	62	60	1,277	1,585
Santee Cement Carriers, Inc.	N/A	N/A	N/A	12,125	N/A	11,412	N/A	713	N/A	94.1	N/A	N/A	N/A	N/A
Schwerman Trucking Co.	967	614	61,071	54,611	61,391	53,276	(320)	1,335	100.5	97.6	15	20	352	316
Senn Trucking Company	-0-	-0-	12,294	13,160	11,636	12,414	658	746	94.7	94.3	-0-	N/A	N/A	N/A
Signal Delivery Service	-0-	-0-	193,292	204,638	182,631	192,067	10,661	12,571	94.5	93.8	129	124	3,952	4,025
Southeastern Freight Lines	435	724	50,654	58,651	47,214	49,948	3,440	8,703	93.2	85.2	194	201	4,641	5,262
Spartan Express, Incorporated	$ 15	$ 25	$ 26,201	$ 31,578	$ 23,759	$ 26,360	$ 2,242	$ 5,218	90.6%	83.5%	199	207	$ 3,971	$ 4,360

FIGURE NO. 9-1 (Continued)

MOTOR FREIGHT CARRIERS — CLASS I
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(Dollars in 000's)

General Commodities Carriers:	North Carolina Regulated Revenues		Total Company Revenues		Total Company Expenses		Net Operating Revenues		Operating Ratios		N.C. Employee Data: Average Number of Employees		N.C. Employee Data: Total Salaries Paid	
	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983
Standard Trucking Company	$ 8.565	$ 8.560	$ 32.531	$ 40.793	$ 32.161	$ 38.853	$ 370	$ 1.940	98.6%	95.2%	554	639	$ 11.706	$ 14.256
Superior Trucking Company, Inc.	45	10	32.057	25.396	31.451	24.902	606	494	98.1	98.1	-0-	-0-	N/A	N/A
Thurston Motor Lines, Inc.	6.281	7.167	97.343	104.108	94.421	98.751	2.922	5.357	97.0	94.9	1.150	1.249	21.332	22.278
Transport Service Co.	-0-	N/A	15.711	18.178	15.332	17.621	379	557	97.6	97.2	-0-	N/A	-0-	N/A
Tri-State Motor Transit Co.	247	334	103.032	106.154	102.502	102.098	530	4.056	99.5	96.2	9	5	212	88
United Parcel Service, Inc.	21.081	23.332	3.501.928	3.991.481	3.147.014	3.467.238	354.914	524.243	89.9	86.9	1.639	1.697	69.438	75.525
Vance Trucking Co., Inc.	600	404	5.617	5.745	5.648	5.699	(31)	46	100.6	99.1	83	79	1.204	1.262
Watkins Motor Lines, Inc.	-0-	127.681	111.357	128.063	107.006	118.040	4.351	10.023	96.1	92.2	174	195	3.687	4.573
West Point Pepperell Transportation Company	546	1.221	11.431	22.653	9.896	18.114	1.535	4.539	86.5	80.0	15	17	220	412
Williamson Truck Lines, Inc.	-0-	-0-	6.969	6.473	6.938	6.506	31	(33)	99.5	100.5	129	126	1.797	1.747
Wilson Trucking Corporation	786	1.199	36.543	39.590	33.275	35.636	3.268	3.954	91.0	90.0	174	178	3.196	3.828
Wingate Trucking Company, Inc.	-0-	-0-	7.618	9.900	5.727	7.542	1.891	2.358	75.0	76.2	-0-	-0-	-0-	-0-
Youngblood Truck Lines	-0-	-0-	10.719	12.275	11.026	12.120	(307)	155	103.0	98.7	85	83	1.824	1.927
Total	$ 150.598	$ 278.750	$9.161.796	$10.395.176	$8.634.735	$9.533.581	$ 527.061	$ 853.674	94.2%	91.7%	16.118	16.582	$ 434.920	$ 412.778
Grand Total	$ 150.902	$ 280.991	$9.831.969	$11.168.783	$9.276.579	10.289.141	$ 555.390	$ 879.642	94.3%	92.1%	16.251	16.891	$ 616.765	$ 418.442
Total No. of Companies in this data	91	110												

N/A — Not Available

FIGURE NO. 9-2

MOTOR FREIGHT CARRIERS — CLASS II
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(DOLLARS in 000's)

	North Carolina Regulated Revenues		Total Revenues		Total Expenses		Net Operating Revenues		Operating Ratios		N.C. Employee Data			
											Avg. No. of Employees		Total Salaries Paid	
Mobile Home Movers:	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983
Intrastate Carriers, Inc.	$ N/A	$ 124	$ N/A	$ 3,663	$ N/A	$ 3,601	$ N/A	$ 62	N/A	98.3%	N/A	3	$ N/A	$ 23
Winston Carriers, Inc.	1	2,565	2,145	2,564	2,228	2,335	(83)	229	104.0	91.1	-0-	-0-	-0-	-0-
Total	$ 1	$ 2,689	$ 2,145	$ 6,227	$ 2,228	$ 5,936	$ (83)	$ 291	104.0%	95.3%	-0	3	$ -0-	$ 23
Household Goods Movers:														
Airway Moving & Storage, Inc.	$ 161	$ 4,926	$ 1,602	$ 1,723	$ 1,601	$ 1,663	$ 1	$ 60	99.9%	96.5%	39	50	$ 483	$ 542
Baucom's Transfer & Storage Company, Inc.	37	50	1,154	1,070	1,117	1,065	37	5	96.8	99.6	50	40	467	467
Carolina Moving & Storage	N/A	68	N/A	2,011	N/A	2,300	N/A	(289)	N/A	114.4	N/A	56	N/A	503
Charlotte Van and Storage Co., Inc.	110	48	2,584	2,866	2,435	2,849	149	17	94.2	99.4	N/A	67	N/A	1,027
City Transfer & Storage Company	525	120	952	1,265	N/A	1,199	N/A	66	N/A	94.8	N/A	41	N/A	605
DeHaven's Transfer & Storage, Inc.	37	8	153	1,035	N/A	942	N/A	93	N/A	91.0	N/A	31	N/A	445
Home Storage Company, Inc.	40	36	1,131	1,257	1,121	1,259	10	(2)	99.1	100.2	23	27	473	584
Hudson Transportation, Inc.	6	7	4,234	4,920	3,913	4,643	321	277	92.4	94.4	7	6	113	132
Martin Transfer & Storage Co	198	197	1,148	1,398	1,263	1,472	(115)	(74)	110.1	105.3	91	42	484	573
Murray Transfer & Storage Co., Inc.	39	49	1,222	1,276	1,215	1,159	7	117	99.4	90.8	29	39	368	374
Rucker Transfer & Storage Co., Inc.	215	97	351	1,026	N/A	1,028	N/A	(2)	N/A	100.2	N/A	26	N/A	472
Security Storage Co., Inc.	66	91	1,755	1,886	174	1,850	1,581	36	99.0	98.1	46	44	468	511
Stanley's Transfer Co., Inc.	12	12	1,487	1,862	1,449	1,799	38	63	97.4	96.6	13	15	130	110
Tatum - Dalton Transfer Co.	201	246	1,980	1,858	1,867	1,815	113	43	94.0	97.7	149	62	1,055	802
Tru-Pak Movings & Storage	33	20	1,452	2,822	754	1,956	698	866	51.9	63.3	15	20	124	252
Washburn Storage Company	1	1	2,682	2,684	2,600	2,577	82	107	96.9	96.0	9	12	98	84
Weathers Brothers Transfer Co. of N.C. Inc.	3	1	1,272	1,410	1,272	1,361	-0-	49	100.0	96.5	46	52	631	722
Woodridge, J.C., Inc.	-0-	6	1,496	1,492	1,459	1,478	37	14	97.5	99.0	-0-	-0-	-0-	-0-
Total	$ 1,684	$ 5,983	$ 26,655	$ 33,861	$ 22,240	$ 32,415	$ 2,959	$ 1,446	89.9%	95.7%	517	630	$ 4,894	$ 8,205
General Commodities Carriers:														
Barnett Truck Line, Inc.	221	$ 111	$ 1,475	$ 1,853	$ 1,406	$ 1,782	$ 69	$ 71	95.4%	96.2%	25	32	$ 333	$ 471
Billings Trucking Corp.	-0-	-0-	1,229	1,953	1,353	1,801	(124)	152	110.0	92.2	40	49	521	678
Blue Ridge Trucking Co.	N/A	153	N/A	3,501	N/A	3,488	N/A	13	N/A	99.6	N/A	77	N/A	1,761
Boward Truck Lines, Inc.	7	-0-	1,739	1,184	1,744	1,206	(5)	(22)	100.3	101.9	4	5	75	N/A
Bralley-Willett Tank Lines, Inc.	94	268	4,891	4,887	4,548	4,223	343	664	93.0	86.4	10	12	122	156
Bunch Trucking Company, Inc.	613	1,024	42	1,441	N/A	1,361	N/A	80	N/A	94.4	N/A	11	N/A	65
CFI Transport, Inc.	N/A	33	N/A	2,790	N/A	2,404	N/A	386	N/A	86.2	N/A	32	N/A	731
Cargocare Transportation Co., Inc.	485	387	3,484	2,515	3,312	2,390	172	125	95.1	95.0	6	6	173	112
Carroll's Transfer, Inc.	-0-	-0-	2,662	2,394	2,668	2,373	(6)	21	100.2	99.1	43	41	631	595
Carter, Robahlee	1,054	741	1,463	1,033	1,291	866	172	147	88.0	85.8	14	12	138	119
Clarkson Brothers Machinery Haulers, Inc.	17	28	1,708	1,593	1,755	1,691	(47)	(98)	103.0	106.2	1	2	25	35
Coastal Transport, Inc.	1,496	1,782	1,573	1,911	1,429	1,582	144	329	90.8	82.8	10	15	221	264
Columbus Motor Lines, Inc.	7	58	1,638	1,463	1,728	1,565	(90)	(102)	105.5	107.0	22	19	460	388
Commercial Couriers, Inc.	1,148	1,729	1,641	2,470	1,412	2,069	229	401	86.0	83.8	89	93	609	1,124
Continental Transport Systems, Inc.	1	1	1,014	1,534	963	1,457	51	77	95.0	95.0	-0-	-0-	-0-	-0-
Contract Transporters, Inc.	1,557	1,412	1,573	1,580	1,459	1,494	114	86	93.0	94.6	44	27	632	624
Cooke Trucking Company, Inc.	-0-	-0-	1,898	2,174	1,878	2,003	20	171	99.0	92.1	28	33	529	610
Cox Trucking Co.	173	188	757	1,283	N/A	1,267	N/A	16	N/A	98.8	N/A	13	N/A	226
Custom Transport, Inc.	638	797	2,940	3,768	2,846	3,550	94	218	96.7	94.2	78	75	1,202	1,431
D & L Trucking, Inc.	979	1,000	2,217	2,443	1,971	2,246	246	197	88.9	91.9	30	45	648	731
Dairy Leasing Service, Inc.	3	N/A	30	2,586	N/A	2,540	N/A	46	N/A	98.2	N/A	34	N/A	619
Davie Trucking Incorporated	$ -0-	$ -0-	$ 2,229	$ 2,558	$ 2,212	$ 2,464	$ 17	$ 94	99.3%	96.3%	22	26	$ 371	$ 414

FIGURE NO. 9-2 (Continued)

MOTOR FREIGHT CARRIERS — CLASS II
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(DOLLARS in 000's)

General Commodities Carriers:	North Carolina Regulated Revenues		Total Revenues		Total Expenses		Net Operating Revenues		Operating Ratios		N.C. Employee Data: Avg. No. of Employees		N.C. Employee Data: Total Salaries Paid	
	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983
DeHart Motor Lines, Inc.	$ 713	$ 694	$ 3,831	$ 3,619	$ 4,090	$ 3,641	$ (259)	$ (22)	106.8%	100.6%	98	98	$ 1,328	$ 1,254
Dixie Trucking Co., Inc.	3,267	N/A	3,858	4,668	3,768	4,503	90	165	90.1	96.5	83	N/A	1,871	N/A
Douglas & Bess, Inc.	2	3	2,736	3,328	2,739	2,065	(3)	1,263	100.1	62.0	43	46	967	1,257
E-B Trucking Company, Inc.	394	1,107	1,059	1,107	1,052	1,125	7	(18)	99.3	101.6	18	18	281	291
Eagle Transport Corporation	2,538	2,949	4,068	4,392	4,016	4,272	52	120	98.7	97.3	63	65	915	1,058
East Coast Transport Company, Inc.	-0-	1,467	1,208	1,467	1,147	1,354	61	113	95.0	92.3	30	33	340	423
Eastern Motor Lines, Inc.	-0-	-0-	1,420	1,912	1,394	1,797	26	115	98.2	93.9	2	2	49	48
Eastern Oil Transport, Inc.	1,433	2,120	1,490	2,140	1,497	2,130	(7)	10	100.4	95.5	42	42	500	638
Edmac Trucking Company, Inc.	335	267	1,020	1,264	1,015	1,215	5	49	99.5	96.1	20	20	275	327
Electric Transport, Inc.	-0-	-0-	3,415	3,643	3,438	3,445	(23)	198	101.0	94.6	10	20	193	100
Everett Express, Inc.	N/A	167	N/A	2,632	N/A	2,480	N/A	152	N/A	94.2	N/A	25	N/A	362
Ezzell Trucking Inc.	268	397	2,541	2,707	2,538	2,585	3	122	99.8	95.5	25	34	366	541
Forbes Refrigerated Transport, Inc.	69	77	1,494	1,467	1,448	1,421	46	46	96.9	96.9	20	20	341	358
Freightways, Inc.	359	685	2,179	2,142	1,898	1,953	281	189	87.1	86.5	8	N/A	118	N/A
Gallimore, D.P. & Sons, Inc.	N/A	-0-	2,449	2,612	2,402	2,485	47	127	98.1	95.1	N/A	37	N/A	602
General Trucking Services, Inc.	-0-	-0-	1,039	3,616	932	2,752	107	864	89.7	76.1	-0-	-0-	-0-	-0-
Glass Container Transport, Inc.	1,235	1,841	N/A	4,996	N/A	4,683	N/A	313	N/A	93.7	110	120	674	853
Goldston Transfer, Inc.	681	783	3,670	4,863	3,290	4,535	380	328	90.0	93.3	41	39	774	148
Green Arrow Motor Express Co.	N/A	44	N/A	3,757	N/A	4,136	N/A	(379)	N/A	110.1	N/A	-0-	N/A	-0-
Groves, F.W., Trucking Co.	275	481	1,140	1,520	1,139	1,481	1	39	99.8	97.4	30	32	395	467
Guignard Freight Lines, Inc.	203	192	2,343	2,692	2,311	2,582	32	110	98.6	95.9	93	97	1,651	1,959
H & S Truck Service of Ahoskie, N.C., Inc.	102	114	507	1,115	N/A	693	N/A	422	N/A	62.2	N/A	29	N/A	370
H.F.C.S. Transport Company, Inc.	283	568	2,035	3,124	1,852	2,529	183	595	91.0	81.0	25	33	470	742
Haines, Earl, Inc.	-0-	-0-	1,217	1,311	1,108	1,537	109	(226)	91.0	117.2	-0-	-0-	-0-	-0-
Harper Trucking Co., Inc.	1,853	2,087	1,853	2,087	1,888	1,953	(35)	134	101.9	93.6	53	50	1,027	1,064
Harrell, R.O. Inc.	124	321	739	1,001	N/A	927	N/A	74	N/A	92.6	N/A	-0-	N/A	-0-
Hatcher, M.L., Pick-Up and Delivery Services	4,085	473	N/A	2,363	3,528	2,222	N/A	141	N/A	94.0	N/A	30	N/A	917
Henry, C.S., Transfer, Inc.	72	125	2,839	3,163	2,630	2,988	209	175	92.6	94.4	53	62	1,043	1,248
Howell's Motor Freight, Inc.	N/A	313	N/A	5,347	N/A	4,783	N/A	564	N/A	89.5	N/A	63	N/A	807
Iredell Milk Transportation, Inc.	112	119	3,763	4,502	3,550	4,329	213	173	94.0	96.2	40	48	645	870
Kugler, George W., Inc.	2,200	-0-	2,899	2,399	3,016	2,355	(117)	44	104.0	98.2	4	-0-	328	-0-
Lewis Truck Lines, Inc.	N/A	6	N/A	1,673	N/A	1,025	N/A	648	N/A	61.3	N/A	N/A	N/A	N/A
Lisk, Howard, Inc.	N/A	601	N/A	2,146	N/A	2,045	N/A	101	N/A	95.3	N/A	29	N/A	586
Louisiana-Pacific Trucking Co.	N/A	17	N/A	2,988	N/A	2,843	N/A	145	N/A	95.1	N/A	-0-	N/A	-0-
McLaurin Trucking Company	1,611	662	2,092	1,892	2,134	1,890	(42)	2	102.0	99.9	49	45	714	630
Mercer Bros. Trucking Co.	96	169	2,316	5,000	2,247	4,700	69	300	97.0	94.0	99	58	430	932
Merchants Transport of Hickory	N/A	338	N/A	1,232	N/A	1,217	N/A	15	N/A	98.9	N/A	-0-	N/A	-0-
Merritt Trucking Company, Inc.	165	284	3,006	3,185	2,898	3,018	108	167	96.4	94.8	58	59	986	1,042
Nationwide Horse Carriers, Inc.	N/A	N/A	2,283	2,238	2,226	2,320	57	(82)	97.4	103.7	-0-	-0-	-0-	-0-
North State Motor Lines, Inc.	146	322	3,446	3,013	3,226	2,902	220	111	93.6	96.3	39	46	512	493
Observer Transportation Company, The	246	299	4,543	4,801	4,361	4,596	182	205	96.0	95.7	103	102	2,130	2,313
Package Delivery, Inc.	35	15	35	1,015	N/A	974	N/A	41	N/A	95.9	N/A	25	N/A	260
Parmenter Transport Co., Inc.	22	16	1,007	1,293	950	1,226	57	67	94.0	94.8	21	23	299	306
Pitt County Transportation	296	268	3,466	3,191	3,199	3,039	267	152	92.3	95.2	42	42	760	784
Quality Oil Transport	1,354	N/A	1,429	1,179	1,087	930	342	249	76.1	78.9	24	N/A	446	N/A
Quinn, James Elwood, Inc.	-0-	-0-	1,177	1,029	1,246	1,107	(69)	(78)	105.9	107.6	21	18	250	224
Rothrock, J.L., Inc.	-0-	-0-	2,158	2,616	2,111	2,533	47	83	97.9	96.8	43	71	854	1,043
Rowan Freight Co., Inc.	525	384	624	1,018	N/A	959	N/A	59	N/A	94.2	N/A	29	N/A	350

FIGURE NO. 9-2 (Continued)

MOTOR FREIGHT CARRIERS — CLASS II
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEAR 1982 and 1983
(DOLLARS in 000's)

General Commodities Carriers:	North Carolina Regulated Revenues 1982	North Carolina Regulated Revenues 1983	Total Revenues 1982	Total Revenues 1983	Total Expenses 1982	Total Expenses 1983	Net Operating Revenues 1982	Net Operating Revenues 1983	Operating Ratios 1982	Operating Ratios 1983	N.C. Employee Data: Avg. No. of Employees 1982	Avg. No. of Employees 1983	Total Salaries Paid 1982	Total Salaries Paid 1983
Seacoast Transportation Company	$ N/A	$ N/A	4,425	$ 3,394	$ 572	$ 4,446	$ 3,853	$(1,052)	77.4	131.0	N/A	N/A	$ N/A	$ N/A
Sherman & Boddie, Inc.	518	549	1,395	1,566	1,100	1,209	295	357	78.9	77.2	33	30	435	487
Shippers Freight Lines, Inc.	-0-	3,150	2,773	4,288	2,718	4,546	55	(258)	98.0	106.0	63	66	1,136	1,850
Skyline Transportation, Inc.	22	36	3,909	4,980	3,879	4,774	30	206	99.2	95.9	12	16	248	353
Smith, Aaron, Trucking Co., Inc.	2,120	N/A	4,144	4,023	4,115	3,933	29	90	99.3	97.8	45	N/A	410	N/A
Smith Transfer Co., Inc.	11	13	1,518	1,430	1,509	1,368	9	62	99.4	95.7	20	23	326	337
Southern Oil Transportation Company, Inc.	1,034	1,059	1,034	1,059	1,030	1,039	4	20	99.6	98.1	27	27	378	414
Stegall, T.G., Trucking Co.	-0-	-0-	2,132	2,317	2,174	2,226	(42)	91	102.0	96.1	33	41	596	605
Super Motor Lines, Inc.	1,732	2,167	2,000	2,329	2,076	2,232	(76)	97	104.0	95.8	55	52	905	1,038
Superior Motor Express, Inc.	45	8	2,423	2,208	2,455	2,202	(32)	6	101.3	99.7	15	11	213	103
Swing Transport, Inc.	1,115	1,129	1,715	1,700	1,504	1,565	211	135	87.0	92.1	18	17	349	247
Terminal Trucking Co., Inc.	2,775	3,177	2,927	3,610	2,286	2,780	641	830	78.0	77.0	60	70	951	1,231
321 Equipment Leasing Company	22	9	2,195	2,370	2,313	2,450	(118)	(80)	105.0	103.4	39	31	573	586
Tidewater Transit Company, Inc.	731	924	1,524	1,927	1,507	1,905	17	22	98.8	98.9	29	36	498	624
Turner Transfer	51	109	611	1,088	N/A	1,049	N/A	39	N/A	96.3	N/A	15	N/A	243
Underwood & Weld Co., Inc.	N/A	36	2,720	3,770	2,960	3,869	(240)	(99)	108.8	102.6	N/A	55	N/A	1,042
United Merchants Trucking, Inc.	63	83	4,383	4,905	4,508	4,500	(125)	405	103.0	91.8	47	47	1,206	1,083
Vickers, C.L., Transfer, Inc.	N/A	-0-	N/A	1,516	N/A	1,505	N/A	11	N/A	99.3	N/A	24	N/A	293
Wallace Trucking Company	7	N/A	1,422	1,760	1,719	2,127	(297)	(367)	120.8	120.9	32	32	480	604
Wendell Transport Corporation	176	1,175	1,378	1,200	1,337	1,069	41	131	97.0	89.1	24	27	408	336
West Bros. Transfer & Storage, Inc.	267	519	1,292	2,017	1,174	2,080	118	(63)	90.9	103.1	54	54	798	790
Western Carolina Express, Inc.	1,107	1,627	1,107	1,627	1,124	1,568	(17)	59	101.5	96.4	48	72	473	683
Widenhouse, A.C., Inc.	2,094	2,146	2,690	2,256	2,590	2,484	100	(228)	96.3	110.1	69	58	1,023	1,030
Worsley Transport, Inc.	896	1,180	1,179	1,588	1,166	1,481	N/A	107	98.9	93.3	16	17	250	275
Yarbrough Transfer Company	$ N/A	$ 319	$ N/A	$ 1,454	$ N/A	$ 1,332	$ N/A	$ 122	N/A	91.6	N/A	28	$ N/A	$ 501
Total	$ 50,073	$ 49,902	$ 203,447	$235,761	$ 195,721	$223,861	$ 7,726	$11,900	96.2	95.0	3,097	3,118	$ 47,954	$ 51,576
GRAND TOTAL	$ 51,758	$ 58,574	$ 232,247	$275,846	$ 220,189	$262,212	$ 12,058	$13,634	94.8	95.1	3,614	3,751	$ 52,848	$ 59,804
Total No. of Companies in this data	104	116												

N/A — Not Available

FIGURE NO. 9-3

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(Actual Dollars)

Mobile Home Movers:	North Carolina Regulated Revenues 1982	North Carolina Regulated Revenues 1983	Total Company Revenues 1982	Total Company Revenues 1983
A & B Mobile Home Movers, Inc.	$ 5,768	$ 4,080	$ 5,768	$ 4,080
Action Freight Lines, Inc.	15,147	7,407	15,147	7,407
Allen Realty Company, Inc	2,212	4,254	2,212	4,254
Atlantis Transporters	N/A	450	N/A	450
Barker, Cecil E., Mobile Home Movers	4,778	590	4,778	590
Bass Mobile Home Moving	36,127	54,455	36,127	54,455
Benton, James Edgar	N/A	850	N/A	850
Big King Mobile Homes	695	1,788	695	2,788
Bob's Mobile Home Transport & Service	-0-	19,665	6,271	19,665
Border's Mobile Home Movers	26,164	37,509	26,164	50,012
Bradley, Bill B.	10,355	19,172	10,355	19,172
Brafford, Boyd W., Jr.	18,272	59,435	18,272	59,435
Bryant, Billy, Trailer Moving	46,418	58,766	46,418	58,766
Bryant's Trailor Convoy	58,635	49,713	58,635	49,713
Bullock, Richard E.	10,132	9,721	10,132	9,721
Canipe's Wrecker Service & Mobile Home Movers	390	2,455	N/A	2,455
Cantrell, Charles, Assoc., Inc.	205	320	205	320
Carolina Mobile Home Service	7,790	12,634	7,790	12,634
Carroll's Mobile Home Transport	7,200	27,815	7,200	27,815
Carteret Mobile Home Movers	18,600	16,200	18,600	16,200
Coats, Lewis C.	43,007	85,538	43,007	90,355
Cockerham's, Wallace, Towing, Inc.	24,058	23,068	24,058	23,068
Coley's Welding Service, Inc.	3,905	10,600	3,905	10,600
Council, Jimmy	11,000	16,000	11,000	16,000
Council's Mobile Home Movers, Inc.	5,139	-0-	5,139	25,470
D & N Motors	N/A	8,250	N/A	8,250
Daniels Mobile Home Movers	16,871	28,664	16,871	28,664
Davidson, R.	153,120	121,360	232,000	229,360
Davis, W.L., Mobile Home Movers	N/A	17,586	N/A	17,586
Doug's Mobile Home Towing, Inc.	138,602	223,632	468,521	493,550
ECE Homes & Transporting	N/A	1,946	N/A	1,946
Eller, Sam D., Motor Carriers, Inc.	21,922	20,563	21,922	20,563
Evans, Donald, Mobile Home Movers, Inc.	94,597	170,883	94,597	170,883
Frady, James Woodrow	27,297	27,060	27,297	27,060
Frank's Mobile Home Movers	12,893	14,220	12,893	14,220
Gilbert, Jimmy, Mobile Movers	N/A	2,633	N/A	2,633
Glover Sales, Inc.	3,087	3,217	3,087	3,217
Grandpap's Mobile Home Service, Inc.	48,453	104,039	48,453	104,039
Hall, Carlton Ray	N/A	14,687	N/A	14,687
Hamrick, J. Austin	10,044	7,152	10,044	7,152
Herman, Ray L.	11,435	16,360	11,435	16,360
Jack's Mobile Home Service	N/A	22,840	N/A	22,840
Johnson, Jerry, Mobile Home Movers	N/A	1,247	N/A	1,247
Johnson Mobile Home Service	11,625	16,250	11,625	16,250
Johnny's Mobile Home Service of Asheville, N.C.	98,911	29,640	98,911	29,640
King Arthur's Court	N/A	3,950	N/A	39,500
Lamb's Mobile Home Movers	20,864	24,466	20,864	24,466
Laughinghouse, Charles C.	52,401	59,172	52,401	60,372
Lewis, Joe, Mobile Home Moving Service	14,357	33,250	14,357	33,250
Lorraine Transporters	7,786	11,605	7,860	11,605
Lower Creek Mobile Homes	12,425	13,380	12,425	13,380
McCreary Mobile Home Towing Service	20,492	23,215	20,492	23,215
McMahan Mobile Home Movers	N/A	10,638	N/A	10,638
McMillan Crane Service, Inc.	17,000	103,397	17,000	103,397
Mobile Maintenance, Inc.	N/A	6,663	N/A	6,663
Moncure, Henry Motors, Inc.	2,255	1,125	2,255	1,125
Moores Mobile Manor and Service	21,951	31,695	21,951	31,695
Northwestern Dodge-Plymouth Sales, Inc.	-0-	-0-	6,387	5,799
Oak Hill Mobile Home Movers, Inc.	14,530	8,917	18,855	12,867
O'Neal's Trailer Sales	3,723	1,820	3,723	1,820
P & G, Inc.	N/A	77,844	N/A	77,844
P & Y Mobile Homes, Inc.	2,351	1,477	2,351	1,477
Patterson, Ralph K.	1,200	1,500	1,200	1,500
Paul, Charles	165,588	18,511	165,588	18,511
Piedmont Mobile Home Movers	4,500	20,000	4,500	20,000
Pinebluff Mobile Home Park	1,085	1,365	1,085	1,365
Pine's M.H. Park & Service Co., Inc.	N/A	-0-	N/A	150
Pope's Mobile Home Moving, Inc.	66,718	38,961	82,008	93,526
Pop's Trailer Towing Co., Inc.	159,988	151,845	159,988	151,845
Potter's Mobile Home Service	-0-	-0-	43,020	52,936
Price, Harold Maxton Mobile Home Mover	11,460	12,590	11,460	12,590

N/A — Not Available
N/R — Report not submitted or in dormant status.

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(Actual Dollars)

Mobile Home Movers:	North Carolina Regulated Revenues 1982	1983	Total Company Revenues 1982	1983
Ratley's Mobile Home Sales & Service	$ 3,668	$ 5,179	$ 3,668	$ 5,179
Rice's Mobile Home Service	4,741	4,257	4,741	4,257
Ricks Trailer Park	10,904	13,788	12,834	13,788
Riverside Mobile Home Movers	24,963	34,539	24,963	34,539
Ronald's Trailer Transport	33,592	36,796	38,121	41,635
Rorer's Mobile Home	9,058	13,632	9,058	13,632
Rupard, C.B., and Sons	233	-0-	233	200
S & H	N/A	14,291	N/A	14,291
Smith, Larry M., Trucking, Inc.	6,170	9,246	6,170	9,246
Snow, Ted B.	54,822	-0-	54,822	56,800
Spruill, Norman Arlington	16,370	18,910	19,769	28,830
Starling's Mobile Home Service	N/A	19,502	N/A	19,502
Stevenson, R.L. Mobile Home Carriers	N/A	3,630	N/A	3,630
Tarheel Wheel & Axle, Inc.	N/A	94,979	N/A	94,979
Williamson Mobile Home Transit	11,393	11,505	11,393	11,505
Wilson Enterprises, Incorporated	8,134	16,580	8,168	133,892
Wood Mobile Home Movers	9,400	8,900	9,400	8,900
Total	$ 1,798,976	$ 2,337,834	$ 2,292,644	$ 3,102,763
Total Number Class III Mobile Home Movers	88	88		

N/A — not available

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(Actual Dollars)

Household Goods Movers:	North Carolina Regulated Revenues 1982	1983	Total Company Revenues 1982	1983
A-1 Moving & Storage, Inc.	$ 22,435	$ 39,921	$ 274,932	$ 276,177
AAA Spruill Moving & Storage	29,189	4,042	33,413	11,623
AAA Storage Co., Inc.	117,415	4,106	456,075	443,176
ABC Moving & Storage, Inc.	N/A	133,240	N/A	604,946
Abernathy Transfer & Storage Company, Inc.	132,064	15,488	266,537	235,017
Ace Moving & Storage Co.	22,638	7,860	100,930	115,548
Acme Movers & Storage Co., Inc.	157,241	8,828	210,433	282,295
Action Mayflower Moving & Storage, Inc.	N/A	130,661	N/A	568,155
Affordable Movers	N/A	-0-	N/A	3,647
All American Movers of Goldsboro, Inc.	24,589	N/A	85,469	70,143
All American Moving & Storage, Inc.	26,346	15,537	238,685	221,776
Allen's Moving & Storage, Inc.	11,270	6,953	275,969	272,776
Allen's Moving Service of Fayetteville, Inc.	69,573	12,908	85,448	92,029
Allstate's Moving & Storage Company, Inc.	44,368	7,640	422,550	523,457
Alternative Moving Systems LTD	N/A	6,807	N/A	247,065
American Distribution Systems, Inc.	79,343	17,260	149,294	222,628
Asheville Transfer & Storage, Inc.	45,870	42,306	415,460	394,550
Atlantic-Pacific Van & Storage, Inc.	100,523	111,432	113,361	115,406
B & W Local Moving	-0-	-0-	146,967	244,553
Baker, Tom, Express, Inc.	470,840	489,596	585,388	621,177
Bartlett Moving Co., Inc.	10,101	19,208	41,201	67,148
Bowen's Moving & Storage, Inc.	567	3,343	54,520	56,826
Branch Moving & Storage, Inc.	40,601	15,861	N/A	145,814
Brevard Moving & Storage Co., Inc.	82,653	41,949	145,127	143,588
Bright's Transfer, Moving & Storage	6,444	-0-	6,444	6,380
Burks Moving & Storage, Inc.	162,907	-0-	436,315	417,898
Byers, Samuel Augusta	48,965	24,500	54,538	56,350
Capital Moving & Warehousing, Inc.	118,410	44,353	345,009	467,782
Capital Van Lines, Inc.	145,615	19,920	251,745	271,652
Cardinal Moving & Storage, Inc.	68,552	72,529	687,291	796,084
Cashion Moving & Storage, Inc.	66,970	29,882	155,175	153,087
Central Warehouse Co. of Durham, Inc.	17,971	-0-	219,605	219,245
Century Movers, Inc.	121,283	7,387	154,206	163,324
Champion Cab & Transfer	-0-	13,636	15,543	15,436
City Transfer & Storage Co. of Fayetteville, Inc.	58,450	-0-	58,450	59,404
Clark Transfer Co., Inc.	165,172	41,860	393,398	594,520
Coastal Moving Company, Inc.	4,616	7,949	272,720	341,913
Coley Moving and Storage, Inc.	186,552	106,521	506,485	814,597
Crown Moving & Storage, Inc.	203,993	2,294	302,656	355,176
Custom Moving & Storage, Inc.	155,382	503	227,334	256,716
David's Econo Move, Inc.	-0-	-0-	660,058	398,265
Dawson-Joyce Moving & Storage Company	84,504	2,839	300,234	296,195
DeHaven's Transfer & Storage of Greensboro, Inc.	37,383	24,431	859,482	506,325
Dixie Moving & Storage Company, Inc.	49,141	1,594	330,573	355,854
Dun Mar Moving Systems	43,564	42,591	153,315	509,486
East Spencer Moving Corp., The	6,513	9,831	6,513	9,831
Edwards, James Woodrow	20,908	16,627	20,908	16,627
Farrar Transfer & Storage Warehouse, Inc.	232,167	80,130	480,829	556,751
Fayetteville Moving & Storage, Inc.	229,139	14,171	817,596	818,883
Fidelity Moving & Storage Co., Inc.	310,206	29,385	472,959	552,768
Fleming-Shaw Transfer & Storage, Inc.	229,037	60,827	519,923	540,196
Four Seasons Moving Company	59,921	32,619	75,676	99,389
Fox Brothers	32,388	11,403	97,303	88,212
Gasperson Transfer, Inc.	105,971	30,107	105,971	132,358
Gilbert Trucking Co.	63,015	22,052	106,781	110,996
Goldsboro Van & Storage, Inc.	66,230	3,287	117,469	123,753
Goodwin, K.W., Transfer	15,132	5,230	90,666	54,221
Grady Moving & Storage, Inc.	708	-0-	N/A	136,855
Granville House, Inc.	43,363	625	211,620	305,522
Greenwood Transfer & Storage, Inc.	11,300	-0-	11,300	11,450
Griffin Transfer & Storage Co., Inc.	89,504	10,091	184,972	156,759
Grose, J.R., Transfer Co.	-0-	8,569	70,668	46,510
Halls Transfer	60,724	22,303	65,255	70,849
Harrison Moving and Storage, Inc.	111,247	64,632	143,451	142,300
Harrel's, Cliff, Moving Company	119,851	31,781	119,851	95,883
Haywood Transfer & Storage	43,754	16,429	167,929	332,572
Highland Moving and Storage Co., Inc.	2,105	-0-	279,364	301,679
Hill, I.H. Transfer & Storage, Inc.	N/A	1,246	N/A	108,023
Hodges Transfer & Storage	71,041	5,455	133,784	131,360
Horton Grading Company, Incorporated	N/A	-0-	N/A	39,884
Humphrey, David Charles	3,670	3,129	3,670	3,129
Humphrey, Troy Moving and Storage, Inc.	14,529	737	283,479	294,697
Ingle Transfer & Storage Co., Inc.	108,100	25,781	503,195	584,668

N/A — Not Available

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(Actual Dollars)

Household Goods Movers:	North Carolina Regulated Revenues 1982	1983	Total Company Revenues 1982	1983
Isenhower Transfer & Storage Co., Inc.	$ 158,409	$ 47,003	$ 303,206	$ 336,442
Jackson Moving & Storage Co., Inc.	197,954	127,771	916,901	927,290
Jones, Henderson S.	35,545	33,778	39,985	41,854
Keever Moving Service, Inc.	25,839	-0-	N/A	29,259
Kepley Moving & Storage, Inc.	48,574	6,099	50,959	66,803
Kinston Moving & Storage, Inc.	29,218	11,598	101,572	71,097
Ladd, J.E., & Son	41,312	8,757	41,312	53,921
Lee, Ambrose, Jr.	N/A	1,311	N/A	1,311
McCauley Bros. Moving & Storage, Inc.	51,680	10,140	467,405	266,982
McCauley Moving & Storage of Fayetteville, Inc.	227,372	32,513	241,851	301,440
May Moving of Goldsboro, Inc.	35,853	690	221,591	347,668
Media Express, Inc.	N/A	176,682	N/A	785,396
Mercer's Moving & Hauling	21,601	4,389	23,510	46,119
Merchant's Moving & Storage, Inc.	88,523	1,245	177,962	186,811
Modern Moving & Storage, Inc.	334,322	36,939	708,667	964,029
Morehead Moving & Storage, Inc.	58,156	31,480	131,881	181,907
Move-It Company	67,944	14,428	138,951	146,894
Neptune World Wide Moving of North Carolina, Inc.	101,988	177,296	169,525	702,359
North America Trf. & Stg. of Asheville, Inc.	141,871	45,345	321,046	301,077
Owens, W.W., and Sons Transfer & Storage	181,957	29,853	299,797	339,978
Pannell Transfer	16,496	15,503	16,496	15,503
Patterson Storage Warehouse Co., Inc.	594,758	67,996	737,592	895,452
Piedmont Home Delivery & Service Co.	34,885	44,374	34,985	44,374
Piedmont Movers, Inc.	200,556	85,065	879,466	857,703
Piedmont Van & Storage Company, Inc.	770,892	3,720	246,082	316,075
Pilot Van Lines, Inc.	-0-	-0-	1,169	882
Port City Transfer & Storage Co.	-0-	-0-	115,354	147,686
Queen City Moving & Storage	228,383	26,678	666,532	669,759
Raleigh Bonded Warehouse, Inc.	50,544	26,230	140,799	117,929
Raleigh Furniture Storage Co., Inc.	280,156	48,963	498,806	393,774
Ray Manly Moving	26,923	29,472	29,333	32,273
Ray Moving & Storage, Inc.	303,102	78,600	710,945	940,600
Reliable Van & Storage, Inc.	53,714	4,291	485,821	572,231
Roney, W.C. Trucking Co., Inc.	N/A	47,859	N/A	47,859
Rucker Moving & Storage Co., Inc.	160,423	43,635	501,417	607,005
Russell Transfer Co., Inc.	274,847	78,202	351,451	459,206
Salisbury Moving & Storage	3,250	6,763	13,003	7,213
Sandhills Bonded Warehouse	77,119	-0-	108,882	132,527
Sanford Transfer & Storage Co.	10,617	4,190	31,717	27,267
Seaboard Moving & Storage, Inc.	-0-	-0-	1,169	882
Sells Service, Inc.	170,390	45,154	319,700	279,376
Service Moving & Storage Co.	71,543	1,999	323,806	276,375
Sheets Transfer & Storage Co., Inc.	87,947	44,452	496,606	581,086
Smith, Elton C., Jr., Moving Co.	60,426	43,234	76,277	99,325
Smith, M.M., Storage Warehouse, Inc.	N/A	60,408	N/A	750,376
Smith Transfer & Storage	10,829	2,992	10,829	11,315
Smith, W.E., Moving Co., Inc.	-0-	580	65,751	90,801
Staley, Moving Vans	14,178	2,068	14,178	5,619
Standard Moving & Storage, Inc.	35,804	573	302,163	360,227
State Moving & Storage, Inc.	137,104	-0-	208,188	184,930
Tar Heel Moving & Storage, Inc.	82,568	73,701	236,569	217,686
Terminal Storage Company, Inc.	123,913	2,063	199,358	196,632
Thomas Transfer, Inc.	-0-	N/A	78,554	191,302
Tri-City Moving & Storage, Inc.	336,861	N/A	605,729	628,016
Tryon Moving & Storage, Inc.	-0-	7,482	173,060	251,690
Umstead Bros., Inc.	125,595	235,166	125,595	235,166
Union Transfer & Storage Co., Inc.	140,755	32,226	448,160	427,088
Watson Moving and Storage, Inc.	N/A	23,726	N/A	98,016
Weathers Bros. Moving & Storage Co., Inc.	-0-	-0-	4,127	3,681
Welch Moving & Storage Co., Inc.	165,033	55,033	780,000	642,160
West's Durham Transfer & Storage, Inc.	84,060	28,666	445,882	399,997
Whitley, Abe, Moving & Storage, Inc.	277,510	41,176	533,301	589,388
Wile Transfer & Storage Company, Inc.	123,490	19,058	289,100	322,794
Williams, R.M., Moving Service	62,994	35,866	62,994	72,812
Williams Transfer & Storage, Inc.	60,528	25,981	122,353	128,339
Willis Moving and Storage, Inc.	16,840	15,122	163,807	147,097
Wilmington Moving & Storage	53,520	-0-	207,520	179,389
Wyatt, George Junior	6,845	12,660	6,845	12,660
Total	$ 12,467,539	$ 3,290,836	$ 31,808,059	$ 38,669,494
Total Number Class III Household Goods Movers	145	141		

N/A — Not Available

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(Actual Dollars)

General Commodities Carriers:	North Carolina Regulated Revenues 1982	1983	Total Company Revenues 1982	1983
A-1 Wrecker Service of Chatham County, Inc.	$ 1.043	$ 4.596	$ 112.211	$ 155.756
A & J Motor Lines, Inc.	82.412	105.220	123.075	105.220
A.J.S. Trucking Company	273.870	375.215	N/A	375.215
Ace Transport, Ltd.	406.528	452.622	406.528	452.712
Airport Transportation Service, Inc.	401.240	-0-	411.547	581.438
Alexander Trucking of Davidson, Inc.	94.279	95.763	103.828	101.450
American Parcel Service, Inc.	568.641	651.251	744.150	834.937
Armored Protective Service, Inc.	200.347	-0-	200.347	242.735
Arndt Trucking, Inc.	327.978	129.304	327.978	386.271
Atlantic Oil Service, Inc.	18.350	14.376	18.350	14.376
Ausley, Cecil Thomas	40.658	-0-	40.658	68.512
Avery Trucking Co., Inc.	-0-	-0-	412.729	526.495
B & B Lines, Inc.	88.971	46.337	138.726	173.410
B & C Trucking Co., Inc.	63.247	72.498	63.247	72.498
B & L Trucking Co., Inc.	N/A	-0-	N/A	128.350
B & P Trucking	41.823	45.900	N/A	45.900
B & W Grain & Feed Service, Inc.	405.252	209.370	867.024	847.841
B-Freight Lines, Inc.	122.686	17.435	174.000	117.147
Baker, Johnie Royster	N/A	9.970	N/A	9.970
Barrett Textile Transport, Inc.	44.866	83.592	318.071	183.788
Beasley Transport, Inc.	-0-	-0-	106.474	111.330
Beeline Carriers, Inc.	N/A	234.775	N/A	234.775
Bell Truck Line	50.083	15.257	93.528	105.310
Best Cartage, Inc.	11.750	100.598	99.578	100.598
Bestway Express, Inc.	N/A	20.495	N/A	20.495
Blevins Motor Express	55.458	64.507	55.458	68.486
Blue Bird-Diamond Taxi Association	N/A	49.742	N/A	49.742
Bostick, James Richard	-0-	-0-	48.370	50.452
Brantley, James Edward	2.100	2.230	2.100	2.230
Bre-Dan, Transportation, Incorporated	N/A	-0-	N/A	217.985
Breeze Transportation, Inc.	N/A	38.017	N/A	38.017
Bright Belt Motor Lines, Inc.	411.899	20.251	505.616	377.033
Broglin's Delivery Service	61.036	63.985	61.036	63.985
Brothers, Delivery Company, Inc.	N/A	15.545	N/A	41.658
Brothers, Jack Wayne	32.319	36.637	N/A	36.637
Brown, Charles T., Truck Lines, Inc.	220.081	380.287	343.769	435.909
Brown Oil & Transit Co., Inc.	167.177	206.667	167.177	206.667
Bryson Machinery Movers & Riggers, Inc.	41.763	68.222	41.763	72.911
CLP Enterprises	9.411	27.038	235.296	540.756
C.S. Transport, Inc.	468.369	447.192	741.090	798.557
CSC Erectors, Inc.	N/A	560.304	N/A	560.304
Campbell Trucking, Inc.	92.075	90.466	115.527	135.131
Carolina Carriers, Inc.	N/A	884.148	N/A	884.148
Carolina Cartage Company	N/A	5.434	N/A	35.721
Carolina Haulers, Inc.	241.530	256.056	241.530	256.056
Carolina Movers & Riggers, Inc.	71.837	73.379	71.837	73.379
Carolina Storage Corporation	260.523	232.526	323.179	336.402
Carolina Tanklines, Inc.	351.447	176.982	351.447	622.359
Carolina Taxi & Industrial Transportation, Inc.	13.090	17.061	13.090	22.126
Carolina Trucking Co., Inc.	5.091	4.000	5.091	4.000
Carpenter Trucking Co., Inc.	451.809	319.569	513.846	390.701
Carr Transport, Inc.	166.075	192.471	166.075	192.471
Caustic Soda Transportation Co.	273.551	281.860	891.789	905.061
Cauthen Gin & Bag Co., Inc.	213.320	167.902	820.346	712.091
Cencar Services, Inc.	337.047	426.944	337.047	426.944
Central Feeds, Inc.	36.890	-0-	36.890	56.980
Charlotte Merchants Delivery, Inc.	50.000	10.000	50.000	10.000
Charlotte Transportation Co., Inc.	286.117	410.276	286.177	410.276
Christie, Craig L.	44.462	52.585	44.462	52.585
Citizen Express, Inc.	177.844	-0-	538.938	562.093
Clark, Osker A.	N/A	6.876	N/A	6.876
Commercial Warehouse, Inc.	47.388	46.939	47.388	46.939
Cook & Sons, Inc.	94.284	44.708	94.284	134.220
Cooley Transport, Inc.	98.000	85.000	389.681	341.269
Cotton Growers Warehouses, Inc.	75.740	90.573	199.318	174.178
Crawford Deliveries, Inc.	N/A	67.056	N/A	67.056
Cromartie Transport Company, Inc.	N/A	157.496	N/A	474.648
Culberson Motor Lines, Inc.	113.771	147.470	704.131	810.719
Custom Freight, Inc.	29.893	-0-	29.893	33.921
Davis Transportation Company	29.262	25.005	29.362	25.005
Dedmon A.V. Trucking, Inc.	267.323	212.174	897.405	898.822
Dependable Feed Service, Inc.	N/A	123.607	N/A	123.607
Douglas, J.W.	N/A	5.025	N/A	5.025

N/A — Not Available

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(Actual Dollars)

General Commodities Carriers:	North Carolina Regulated Revenues 1982	1983	Total Company Revenues 1982	1983
E & B Corporation	$ 47.229	$ 12.745	$ 47.229	$ 12.745
East Carolina Cartage Co.	115.222	179.480	262.605	426.250
Eastern Courier Corp.	364.699	104.325	364.669	417.299
Eastern Delivery Service, Inc.	150.000	200.000	200.000	252.306
Economy Transport, Inc.	81.357	78.951	81.357	78.951
Essick, Ike C.	20.140	21.240	64.550	91.390
Eure, C.H., Trucking, Inc.	3.823	-0-	150.514	12.613
Faircloth, Henry, Transfer, Inc.	147.189	226.763	158.784	270.523
Fanelli Brothers Trucking Co.	15	-0-	2.528	2.559
Federal Motor Express, Inc.	178.927	244.445	178.927	244.245
Federated Transport, Inc.	166.621	220.940	166.621	220.940
Fogleman, James W., Trucking	N/A	4.481	N/A	85.020
Foothills Trucking Co., Inc.	-0-	-0-	701.475	741.555
Ford's Contracting Service	-0-	1.207	N/A	32.349
Fowler, M.M., Inc.	314.312	353.585	314.312	353.585
Freeman Contract Service, Inc.	3.733	14.056	3.733	159.055
Fuel Oil Service Company, Inc.	305.571	141.370	305.571	197.269
Futrell Chip Company	43.023	77.510	43.023	77.510
G & S Riggers and Movers	16.604	24.205	16.604	24.205
Gibson, John Louie	-0-	-0-	14.798	16.387
Gilbert, Transfer Company	980	257.174	980	371.899
GOCO Transportation, Inc.	75.914	66.094	75.914	66.094
Godwin Transport Co., Inc.	153.975	45.355	153.975	45.355
Graham, Garland, R.	N/A	3.144	N/A	3.144
Greene Haulers, Inc.	N/A	106.041	N/A	106.041
Gupton, Donald L.	46.000	-0-	46.000	69.000
Haigler Trucking Company	65.856	53.848	602.567	534.646
Harris, William L.	43.531	83.379	48.368	83.379
Hendley, Grover Gerald	N/A	4.834	N/A	4.834
Hester's Transfer	4.512	-0-	60.047	75.477
Hickory Merchant's Delivery	119.623	122.826	119.623	122.826
High Point Delivery Co., Inc.	28.331	32.370	28.331	32.370
Hill-Top Transport	220.534	251.429	251.514	281.476
Hobgood Transport, Inc.	-0-	134.728	40.851	134.728
Hodges, Ed F., Inc.	116.799	117.475	116.799	117.475
Holland Transfer Co.	126.050	150.886	689.637	746.730
Hollowell Transportation Co., Inc.	27.251	13.238	27.251	13.238
Holt, H.R.	154.677	170.324	154.677	170.324
Honeycutt, J.B., Company, Inc.	77.089	431.661	77.089	431.661
Hopkins D.O., Trucking, Inc.	41.791	-0-	41.791	54.725
Hopper Bros.	12.193	13.746	N/A	13.746
Howell Transfer	-0-	18.814	16.582	145.266
Huffman, P.T., Transfer, Inc.	524.162	623.310	524.162	636.320
Hughes Trucking	43.842	-0-	43.842	47.294
Industrial Asphalt Transport, Inc.	210.935	212.489	372.095	439.242
Inman, Gene, Trucking, Inc.	-0-	69.900	115.715	250.049
Interstate Cartage Co., Inc.	N/A	N/A	N/A	13.576
Ives Transport, Inc.	137.582	115.717	137.582	115.717
J.D. Transport, Inc.	N/A	49.715	N/A	49.715
Jackson Trading Co., Inc.	56.678	-0-	56.678	95.293
Jackson's Transfer	5.309	8.912	25.601	47.632
Jenkins, J.W., Inc.	95.361	111.502	95.361	111.502
John's Auto Repair, Inc.	N/A	70.091	N/A	277.332
Johnny's Transfer Co., Inc.	247.262	296.038	518.370	670.831
Johnson, Richard Kim	50.327	69.029	50.327	69.029
Jones Transfer, Inc.	5.640	5.535	263.025	263.980
Joyner Trucking Co.	54.227	2.648	177.206	173.402
KBD Services, Inc.	35.084	76.150	69.552	76.150
KFM Transport, Inc.	N/A	-0-	N/A	679.525
Kendall Trucking & Grading	252.160	400.012	279.935	585.012
Kindle's Pick-Up & Delivery	153.251	112.328	153.251	112.328
King, Neb, Inc.	4.600	3.900	4.600	3.900
LDF, Inc.	93.346	183.604	491.174	588.771
L.U. Carriers, Inc.	N/A	-0-	N/A	840.445
Lawndale Transportation Company	50.097	4.859	50.097	24.859
Leary Bros. Storage Co., Inc.	6.441	1.169	15.886	10.917
Lockwood Brothers, Inc.	2.664	-0-	489.985	142.385
Loving, T.A., Co.	70.951	81.705	70.951	81.705
Lumbee Trucking Co., Inc.	316.963	340.421	537.896	643.063
McCotter, J.D.	5.939	18.876	27.769	31.460
McKeithan, Julian Blue	7.330	29.240	7.330	29.240
McKinney James Garland	3.378	-0-	3.378	2.849
McLeod Trucking and Rigging Co., Inc.	39.196	55.092	286.313	187.658

N/A — Not Available

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(Actual Dollars)

General Commodities Carriers:	North Carolina Regulated Revenues 1982	1983	Total Company Revenues 1982	1983
M & H Trucking Co., Inc.	$ 101,167	$ -0-	$ 101,167	$ 56,299
M & M Movers	N/A	11,000	N/A	11,000
Mangum, C.C., Inc.	31,468	43,322	31,468	49,622
Marshall, E.F. Contract Carrier	N/A	9,499	N/A	9,499
Martin Motor Lines, Inc.	N/A	1,013	N/A	1,225
Martin, Roger E., Inc.	73,528	-0-	806,361	735,646
Martin, W.M., Co., Inc.	3,408	6,781	3,408	6,781
Metro Transport Co., Inc.	332,980	197,262	405,997	256,934
Mid-State Delivery Service, Inc.	887,296	980,000	930,930	980,000
Mid-State Service Co., Inc.	39,821	57,082	39,821	57,082
Mini-Haul, Inc.	153,416	108,023	153,416	108,023
Mitchell, Cyrus A., Jr.	421	1,531	421	1,531
Mitchell Express, Inc.	N/A	-0-	N/A	43,545
Moore, J.W., Inc.	N/A	-0-	N/A	233,302
Moore's Express	78,313	13,428	83,653	424,001
Morgan Trucking Co.	-0-	-0-	196,133	181,425
Morven Freight Lines, Inc.	-0-	183,561	225,998	499,738
Mullis, Brandon L., Inc.	8,047	3,050	201,168	127,708
N.C. Transport, Inc.	129,863	443,280	251,633	542,870
Neuse Transport, Inc.	85,486	152,532	85,486	152,532
Newsom Transports, Inc.	38,376	60,325	115,940	125,233
Nichols, A.T., Trucking Co., Inc.	325,970	427,481	325,970	427,481
Nordan Transportation Co., Inc.	19,278	6,365	19,278	6,365
Norris, Elwood, Inc.	78,865	-0-	78,865	90,410
Northside Storage Co., Inc.	-0-	4,421	13,017	18,179
Ormond, W.W., Transfer Co., Inc.	177,208	-0-	177,208	155,491
PDC Trucking Company	316,424	173,218	447,150	330,560
Package Delivery Service of Durham, N.C.	34,936	37,728	34,936	37,728
Parker, Donald C.	36,261	63,020	36,261	63,020
Parsons, G.G., Trucking Co.	75,600	160,000	75,600	160,000
Perry, Stanly Kent	N/A	6,500	N/A	6,500
Perry's Transfer	38,560	52,360	38,560	52,360
Petroleum Transport Co., Inc.	284,755	269,634	284,755	269,634
Pick Up & Delivery Service, Inc.	342,784	640,425	342,784	640,425
Piedmont Delivery Service, Inc.	165,333	79,110	165,333	79,110
Piedmont Fuel & Distributing Co., Inc.	281,109	413,760	281,109	413,760
Piedmont Paper Stock Co., Inc.	28,870	40,162	28,870	40,162
Public Transport Corporation	433,080	448,799	433,080	448,799
Raleigh Delivery Service, Inc.	368,198	421,195	368,198	421,195
Randleman's City Pick-Up & Delivery Service, Inc.	468	-0-	468	1,219
Rapid Transit	15,109	81,452	15,109	81,452
Rawley, J.W.	31,406	31,163	50,241	46,720
Raymac Supply Co.	6,021	30,057	138,731	125,240
Regional Storage & Transport, Inc.	213,740	182,726	714,277	828,065
Re-Jim, Inc.	138,393	-0-	138,393	137,795
Riggan, George E.	15,439	11,911	15,439	11,911
Rivers Trucking, Inc.	N/A	244,153	N/A	464,468
Riverside Transportation Co., Inc.	40,012	46,124	742,710	517,640
Roberts, C.C., Concrete Construction Co., Inc.	88,716	-0-	169,416	217,352
Rogers Transportation Company, Inc.	799,825	877,924	799,825	877,924
Rosdahl, Lloyd, Machinery Riggers, Inc.	N/A	-0-	N/A	189,245
S & R Wrecker Service, Inc.	131,816	93,321	467,790	516,429
S & W Motor Lines, Inc.	17,424	-0-	17,424	934,213
STG Transport, Inc.	282,931	269,927	283,115	269,927
Salem Carriers, Inc.	N/A	-0-	N/A	464,628
Sampson Tobacco Warehouse, Inc.	N/A	-0-	N/A	18,297
Sanders, Ervin	37,955	-0-	37,955	66,069
Self Scrap & Metal Company	5,344	-0-	5,344	4,142
Sharpe Transport, Inc.	113,863	33,795	113,863	113,655
Shepard Motor Lines, Inc.	N/A	42,431	N/A	66,400
Short's Pickup & Delivery, Inc.	29,826	-0-	29,826	28,471
Smith, Agri-Supply	49,032	18,475	49,032	18,475
Smith, Alvin Alexander	N/A	-0-	N/A	221,724
Smith, Larry D.	N/A	25,185	N/A	38,285
South Atlantic Bonded Warehouse Corp.	472,748	496,317	528,655	532,438
South Freight Service, Inc.	239,920	531,501	239,920	619,364
Southern Freight Service, Inc.	80,173	72,318	80,173	72,318
Southern Spindle & Flyer Company	19,505	25,649	76,972	143,908
Stainback Trucking, Inc.	412,478	290,267	412,478	290,267
State Trucking Company	418,247	510,584	418,247	924,817
Stegall Milling Company, Inc.	88,147	81,245	88,147	91,217
Stiller, James Richard	24,312	45,363	24,312	45,363
Swann, A.D., Trucking Co., Inc.	754,284	90	754,284	730,011

N/A — Not Available

FIGURE NO. 9-3 (Continued)

MOTOR FREIGHT CARRIERS — CLASS III
GROUPED BY MAJOR TYPE OF PRODUCTS TRANSPORTED
CALENDAR YEARS 1982 AND 1983
(Actual Dollars)

General Commodities Carriers:	North Carolina Regulated Revenues 1982	1983	Total Company Revenues 1982	1983
Tappan Carriers, Inc.	$ 570,917	$ 723,575	$ 570,917	$ 723,575
Tar Heel Industries, Inc.	535,562	506,722	535,562	506,722
Tarheel Transport, Inc.	447,959	574,754	447,959	574,754
Thomas, Jimmy Edward	38,945	42,476	38,945	52,326
Thompson, David, Trucking Co.	21,147	42,719	285,775	382,780
Tilton's Delivery Service	76,100	-0-	76,100	43,098
Timber Trucking Company, Inc.	128,506	111,369	322,881	381,611
Tol-Co, Inc.	35,630	16,621	117,993	120,207
Transport South, Inc.	N/A	53,117	N/A	53,117
Triad Transport, Inc.	47,859	129,903	47,859	129,903
Triangle Express	31,835	56,370	31,835	56,370
Tri-County Transport, Inc.	177,009	161,080	177,009	161,080
Truck Transfer Service, Inc.	N/A	-0-	N/A	62,222
Tultex Transportation, Inc.	N/A	187,484	N/A	225,216
2800 Corporation	416,176	418,178	425,512	591,295
Tyler, James L.	43,887	70,362	43,887	70,362
Valley Transfer, Inc.	421,509	513,100	521,976	513,100
Waccamaw Transport, Inc.	243,888	264,525	243,888	264,525
Waco Drivers Service, Inc.	N/A	8,411	N/A	535,640
Walker Transfer, Inc.	42,085	15,257	315,410	277,095
Wall Delivery Service, Inc.	91,273	13,679	893,309	242,205
Watson Transportation Co.	11,226	13,186	11,226	13,186
Weaver, Edward H., Trucking Co.	81,278	41,805	81,278	41,805
White Transfer & Storage Co., Inc.	118,966	96,886	118,966	96,886
Wicker Services, Inc.	699,749	722,400	699,749	722,400
Wilco Transport Co., Inc.	522,938	575,079	522,938	575,079
Willetts Brothers Trucking	13,302	5,326	13,302	10,124
Williams, Melvin Douglas	51,378	-0-	51,378	64,419
Wright Motor Lines, Inc.	270,359	-0-	270,359	225,609
Yeary Transfer Company, Inc.	-0-	-0-	1,342	894,044
Young Transfer	465,920	526,625	650,940	745,569
Zackly Rite Trucking Inc.	33	18,210	1,152	874,757
Total	$ 29,805,793	$ 31,670,761	$ 44,429,979	$ 61,638,652
GRAND TOTALS Class III	$ 44,072,308	$ 37,299,431	$ 78,530,682	$ 103,410,909
Total Number Class III General Commodities Carriers	240	251		
Grand Total All Class III Carriers	467	480		

N/A — Not Available

FIGURE NO. 9-4

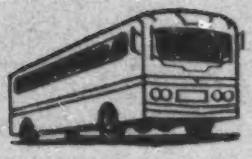
MOTOR FREIGHT CARRIERS — CLASS I AND II
SUMMARY OF SELECTED DATA — INCOME, EXPENSES AND STATISTICAL ITEMS
FOR THE CALENDAR YEARS 1982 AND 1983

CLASS I CARRIERS	1982	1983	% Change More (Less) 1982-1983
Number of Companies Regulated	95	110	15.8
Number Included in this Data	95	110	15.8
North Carolina — Regulated Revenues	$ 150,902	$ 280,991	86.2
Operating Data (Systemwide):			
Operating Revenues	$ 9,831,969	$11,168,783	13.6
Operating Expenses	$ 9,276,579	$10,289,141	10.9
Net Operating Revenue	$ 555,390	$ 879,642	58.4
Operating Ratio (Percent)	94.3	92.1	(2.3)
Statistics (N.C. Data Only):			
Average No. of Employees (Actual)	16,251	16,891	3.9
Total Salaries Paid ($-000's)	$ 616,765	$ 418,442	(32.1)

CLASS II CARRIERS			
Number of Companies Regulated	108	116	7.4
Number Included in this Data	104	116	11.5
North Carolina—Regulated Revenues	$ 51,758	$ 58,574	13.2
Operating Data (Systemwide):			
Operating Revenues	$ 232,247	$ 275,846	18.8
Operating Expenses	$ 220,189	$ 262,212	19.1
Net Operating Revenue	$ 12,058	$ 13,634	13.1
Operating Ratio (Percent)	94.8	95.1	.3
Statistics (N.C. Data Only):			
Average No. of Employees (Actual)	3,614	3,751	3.8
Total Salaries Paid ($-000's)	$ 52,848	$ 59,804	13.2

GRAND TOTALS CLASS I & II			
Number of Companies Regulated	203	226	11.3
Number Included in this Data	199	226	13.6
North Carolina—Regulated Revenues	$ 202,660	$ 339,565	67.5
Operating Data (Systemwide):			
Operating Revenues	$10,064,216	$ 11,444,629	13.7
Operating Expenses	$ 9,496,768	$ 10,551,353	11.1
Net Operating Revenue	$ 567,448	$ 893,276	(57.4)
Operating Ratio (Percent)	94.4	92.2	(2.3)
Statistics (N.C. Data Only):			
Average No. of Employees (Actual)	19,865	20,642	3.9
Total Salaries Paid ($-000's)	$ 669,613	$ 478,246	28.6

The number of carriers in each classification changes each year because of the companies' growth in revenue and the changes every few years in the level of revenues required to qualify for the Class I and II classifications. Therefore, the use of the data for comparative purposes must be used with discretion.



X. The Transportation Industry - Motor Passenger Carriers

A. General Comments

1. Regulated Privately Owned Sectors

For the purpose of filing annual reports, both the Interstate Commerce Commission (ICC) and the North Carolina Utilities Commission (NCUC) authorized the following classifications effective January 1, 1980, for the motor passenger carriers:

Classification	Requirements
Class I	$3,000,000 or more annual operating revenues
Class II	$500,000-$3,000,000 annual operating revenues
Class III	Under $500,000 annual operating revenues

At December 31, 1983, there were 115 motor passenger carriers franchised to operate under the regulation of the North Carolina Utilities Commission. See Figure No. 10-1 for a list of the companies and their scope of operations. These three carriers, Duke Power Company in Durham, Duke Power Company in Greensboro, and Charlotte City Coach Lines, are franchised by the governing authorities of the municipalities in which they operate. The Commission's jurisdiction over these carriers is limited to the approval or disapproval of fares and to the annual filing of reports of operations. The remaining 112 carriers are fully regulated by the Commission. Of these remaining carriers, 59 are transportation brokers and three are motor boat common carriers. Transportation brokers, as herein used, means any person not a bonafide employee or agent of a motor carrier who engages in the business of selling or offering for sale any transportation of passengers by motor carriers for compensation either directly or indirectly. A transportation broker does not own or operate the vehicles used to transport passengers to whom he sells or arranges for this type of service. There is no operating data for these 62 carriers involved in this report. Operating data is included for the 38 motor passenger carriers who filed 1983 annual reports with the Commission.

2. Nonregulated Publicly Owned Sector

The North Carolina Utilities Commission has no jurisdiction over most of the passenger transit systems serving the intracity traffic and the urban and rural areas. However, these systems are providing transportation to large numbers of intracity passengers as shown by the following ridership figures:

Unregulated Intracity Ridership

Calendar Year	Passengers
1981	22,866,452*
1982	22,553,958*
1983	21,221,389*

*Source: Public Transportation Division—North Carolina Department of Public Transportation—Systems included in the data are Asheville, Chapel Hill, Charlotte, Fayetteville, Gastonia, Greenville, High Point, Raleigh, Salisbury, Wilmington, Wilson, and Winston-Salem. The bus systems in Durham and Greensboro are regulated and owned by Duke Power Company. The ridership for these systems is omitted from this data.

Since July 1, 1974, there has been a Public Transportation Division (PTD) within the Department of Transportation. The PTD administers several federal grant programs and a state grant program as well as fostering the development of the public transportation in North Carolina. For further information on this agency's activities, the N. C. Department of Transportation, P. O. Box 25201, Raleigh, North Carolina 27602, should be contacted.

Bus Deregulation

The Bus Regulatory Reform Act of 1982 enacted by Congress granted intercity bus companies wide-ranging freedoms to adjust their services and rates. One possible by-product of the Act may be the loss of service to numerous small communities across the State. Bus transportation is usually the last form of public transportation available to these communities, hence if they lose bus service they are normally left isolated from the public transportation network. Furthermore, the demographic profiles of small communities show a much higher percentage of elderly than the State average. These are the people who need bus service the most, and as time goes by their need for service will become even greater.

Under the Bus Regulatory Act of 1982, if an intercity bus company files with the Commission for an increase in its rates, and the Commission approves a level of rates which is less than that requested, the carrier can then appeal the Commission's decision to the ICC. Under the Bus Act, the ICC is compelled to grant the carrier the full relief sought if the intrastate rates are less than similar interstate rates. Since the enactment of the Bus Act, all proceedings in which the Commission denied the rate relief sought in whole or in part, and the request was appealed to the ICC, the ICC granted the full relief sought. See Figure No. 10-5.

B. Intercity Motor Passenger Carriers

Financial and statistical data is presented for the 28 regulated intercity carriers having separate operations during 1982 and 1983 who filed annual reports with the North Carolina Utilities Commission. The intercity carriers have franchised and operating rights to serve two or more points and are further classed and operate as common or contract carriers over interstate or intrastate routes.

The following table shows the breakdown of these classifications as of December 31, 1982, and 1983:

Classification	1982 Number of Carriers	1983 Number of Carriers
Class I	4	4
Class II	8	8
Class III	16	16
Total	28	28
Type Carrier		
Common	24	28
Contract	4	0
Total	28	28
Scope of Operations		
Interstate	13	11

C. Fare Increases Authorized—Intercity

The following intercity motor passenger carriers were authorized passenger fare increases in 1983:

(a) Trailways Southeastern Lines, Inc. (Docket No. B-69, Sub 135), 18%
(b) Greyhound Lines, Inc. (Docket No. B-7, Sub 100), 20%

D. Statistical Summary Data—Intercity

In 1983 the four Class I intercity motor passenger carriers accounted for 74.6% of the North Carolina total intercity gross operating revenues, just slightly lower than the 76.4% in 1982. For their North Carolina operations the 1983 carriers experienced an 8.7% decline from their 1982 operations.

Systemwide operations for the Class I carriers in 1982 showed a decrease of 16.4% in operating revenues compared to 1982. There was a 12.2% decrease in operating expenses in 1983. The operating ratio was 104.5% in 1983 compared to 99.5% in 1982.

E. Intracity Motor Passenger Carriers—Comments

During 1983 there were eleven intracity carriers operating under the jurisdiction of the North Carolina Utilities Commission who filed their annual reports. There were only eight carriers who filed 1982 data. These intracity carriers are grouped as follows regarding size, type, and scope of operations.

Classification	1982 Number of Carriers	1983 Number of Carriers
Class I	0	0
Class II	3	2
Class III	5	9
Total	8	11
Type Carrier		
Common	6	9
Contract	2	2
Total	8	11
Scope of Operations		
Interstate	2	1

In 1981 Duke Power Company Bus Systems of Greensboro and Durham were both authorized charter fare increases (Docket No. B-209, Sub 23 and Sub 24). There were no fare increases authorized in either 1982 or 1983 for intracity carriers.

G. Statistical Summary Data—Intracity

Figure No. 10-4 shows a summary of selected income items and operational statistics for the calendar years 1982 and 1983 for the intracity motor passenger carriers. There are no Class I carriers presently in this group. Information is given for the eleven carriers who filed 1983 annual reports.

FIGURE NO. 10-1

MOTOR PASSENGER CARRIERS FRANCHISED TO OPERATE IN NORTH CAROLINA
AS OF DECEMBER 31, 1983

	Scope of Operations		
Class I Carriers	**Interstate**	**Intercity**	**Intracity**
Carolina Coach Co.	X	X	
Greyhound Lines, Inc.	X	X	
Seashore Transportation Co.	X	X	
Trailways Southeastern Lines, Inc.(B)	X	X	
Total - 4 companies	4	4	0
Class II Carriers			
American Charters Ltd.		X	
American Coach Lines (D)	X	X	X
Asheboro Coach Co.	X	X	X
Duke Power — Durham(A)			X
Duke Power — Greensboro (A)			X
Piedmont Coach Lines	X	X	
Safety Transit Tours of Eden		X	
Southern Coach Co.	X	X	
Wilson Bus Co.(D)		X	
Young's Transportation	X	X	X
Total - 10 companies	5	8	5
Class III Carriers			
Archie's Bus & Transit Services			X
Asheville Carriage Service(D)		X	X
Blue Ridge Lines		X	
Carolina Transit Lines of Charlotte		X	X
Charlotte City Coach Lines(A)			X
Conover-Newton Bus Lines			X
Cooper, James McPhail		X	
Dillahunt, John T.		X	X
Dills & Carpenter Transit		X	
Emma Bus Lines			X
Folger, Robert C.		X	
Hacaronee Bus Service		X	
Hammack, J.H.		X	
Harrelson, Mrs. R. L. & Co.		X	
Houston Transport Co.(C)		X	X
Joshlis Charters		X	
Kannapolis Transit Co.	X	X	X
King's Bus Service		X	
Lake Gaston Bus Service		X	X
Mars Hill-Weaverville Bus Line		X	X
McBroom Coach, Inc.		X	
Moore Brothers Transportation		X	
New Hope Charter			X
Nooney Bus Line		X	
Outer Banks Transit Co.		X	
Piedmont Transit		X	X
Pirate Explorers Transportation			X
Pleasure Island Limosine Service			X
Rockingham-Hamlet Bus Line		X	X
Scenic Tours		X	
Silver Fox Lines		X	
Smoky Mountain Tours Co.		X	
Statesville Motor Coach	X	X	X
Suburban Bus Lines		X	
T & D Tours		X	X
Trans Service		X	X
Travelines of Carolina Ltd.		X	X
Triad Lines		X	X
Virginia Dare Transportation	X	X	X
Total - 39 companies	3	32	22
Motor Boat Common Carriers			
Carteret Boat Tours, Inc.		X	
Morris Marina, Kabin Kamps & Ferry Service, Inc.		X	
Willis, Alger G. Fishing Camps, Inc.		X	
Total - 3 companies		3	

FIGURE NO. 10-1 (Continued)

MOTOR PASSENGER CARRIERS FRANCHISED TO OPERATE IN NORTH CAROLINA
AS OF DECEMBER 31, 1983

	Scope of Operations		
	Interstate	Intercity	Intracity
Transportation Brokers			
Activity Designers of Raleigh		X	
Albertson, Charles W.		X	
Beamer, Nancy, Tours		X	
Big C Tours		X	
Brantley Tours		X	
Bullock Tours		X	
Cardwell Tours		X	
Carolina Tours		X	
Carousel of Raleigh		X	
Charlotte Visitours		X	
Circle Tours		X	
Coastal Host		X	
Country Cottage Tours		X	
Colonial Ventures, Inc.		X	
Convenient Tours		X	
Cowan Tours		X	
Custom Travel Services		X	
Davis Tours		X	
Daybreak Sing, Inc.		X	
E & T Tours		X	
Edwards, Patricia T.		X	
Five Star Tours		X	
Gough Tours		X	
Great Getaway Tours		X	
Green, Conley F., Sr.		X	
Hawfields Community Travelers		X	
Hazel, Kay, Tours		X	
Hepler Tours		X	
Heritage Tours		X	
Holiday Tours		X	
Hubbard Tours		X	
International Tourist Group		X	
Introducing Asheville		X	
Jaunts & Journeys		X	
Johnston Lion's Club		X	
Long's Travel Agency		X	
Manning Tours		X	
Meetings, Inc.		X	
Moore Tours		X	
New Bern Guided Tours		X	
N.C. First Tours		X	
North State Heritage Tours		X	
Northeastern Travel Services		X	
P & B Travels		X	
Per Flo Tours		X	
Piedmont Tours of Burlington		X	
Scurlock's Travel & Tours		X	
Sheryl's Tours		X	
Shopping Sprees—A Division of Topics, Inc.		X	
Smoky Mountain Tours		X	
Talks, Tours, & Things		X	
Thacker, Ginger, Tours		X	
Touring Buddies		X	
Travel Professionals, Inc.		X	
Travel Time of Salisbury		X	
Travel Tours, Inc.		X	
Trekmaker		X	
Western Carolina Tours		X	
Williams, Roy B.		X	
Total		59	
Grand Total — 115 companies[f]	12	106	27

Footnotes

(A) Franchised by municipalities, fares only regulated by the N.C. Utilities Commission
(B) Name changed from Continental Southeastern Lines, Inc.
(C) Has both intercity and intracity operations, but for statistical purposes will be treated as an intracity carrier since most operating revenue is derived from intracity operations.
(D) Has both intercity and intracity operations, but for statistical purposes will be treated as an intercity carrier since most operating revenue is derived from intercity operations.

FIGURE NO. 10-2

MOTOR PASSENGER CARRIERS — INTERCITY — CLASSES I & II
Summary of Selected Income Items and Operational Statistics
For the Calendar Years 1982 & 1983
(North Carolina and Systemwide Data Noted)

		Carolina Coach Company	Greyhound Lines, Inc.	Seashore Transportation Company	Trailways Southeastern Lines, Inc.	Total Class I	American Charters	American Coach Lines	Asheboro Coach Company	Piedmont Coach Lines	Safety Transit Tours of Eden	Southern Coach Company	Wilson Bus Company	Young's Transportation Company	Total Class II
Operating Revenues (N.C. Portion)	1982	$ 13,205,523	$ 9,039,003	$ 3,330,398	$ 3,101,758	$ 28,676,682	$ 325,857	$ 55,571	$ 1,819,848	$ 1,004,479	$ N/A	$ 513,490	$ 1,198,107	$ 2,073,557	$ 6,990,909
	1983	$ 13,141,166	$ 6,816,373	$ 3,102,131	$ 3,114,529	$ 26,174,199	$ 1,272,043	$ 75,948	$ 1,714,[illegible]	$ [illegible]	$ 633,249	$ 477,778	$ 1,297,969	$ 851,451	$ 7,707,590
Income Items (Systemwide)															
Operating Revenues	1982	$ 27,451,675	$ 850,549,258	$ 3,731,021	$ 18,231,701	$ 899,963,655	$ 632,574	$ 1,593,898	$ 1,819,848	$ 1,[illegible]	$ N/A	$ 1,041,135	$ 1,198,107	$ 2,073,557	$ 9,953,530
	1983	$ 27,657,263	$ 702,303,440	$ 3,598,201	$ 18,660,296	$ 752,219,206	$ 1,272,043	$ 1,827,085	$ 1,714,[illegible]	$ 1,[illegible]	$ 633,249	$ 1,118,486	$ 1,297,969	$ 891,451	$ 10,126,521
Operating Expenses	1982	$ 22,708,764	$ 851,572,323	$ 3,564,776	$ 17,259,815	$ 895,105,678	$ 534,617	$ 1,492,628	$ 1,359,09[illegible]	$ 1,[illegible]	$ N/A	$ 1,037,639	$ 1,119,997	$ 1,915,272	$ 8,741,886
	1983	$ 22,073,910	$ 743,303,532	$ 3,145,138	$ 17,380,888	$ 785,903,468	$ 1,140,033	$ 1,648,704	$ 1,520,447	$ 1,258,586	$ 606,044	$ 1,143,415	$ 1,135,426	$ 917,422	$ 9,370,077
Net Operating Income Before Taxes	1982	$ 4,742,911	$ (1,023,065)	$ 166,245	$ 971,886	$ 4,857,977	$ 97,957	$ 101,270	$ 460,751	$ 311,875	$ N/A	$ 3,496	$ 78,110	$ 158,185	$ 1,211,644
	1983	$ 5,583,353	$ (41,000,092)	$ 453,063	$ 1,279,408	$ (33,684,268)	$ 132,010	$ 178,381	$ 194,488	$ 112,717	$ 27,205	$ (24,929)	$ 162,543	$ (25,971)	$ 756,444
Other Income (Deductions) — Net	1982	$ 14,375	$ 16,248,980	$ 42,294	$ (1,802,158)	$ 14,503,491	$ (37,890)	$ (39,407)	$ (215,312)	$ (87,013)	$ N/A	$ 53,882	$ (42,882)	$ (76,461)	$ (445,083)
	1983	$ (95,326)	$ 17,442,307	$ 45,518	$ (1,429,417)	$ 15,963,082	$ (62,406)	$ 22,613	$ (224,783)	$ (62,217)	$ (64,866)	$ 124,127	$ (116,706)	$ (127,752)	$ (511,790)
Income Taxes	1982	$ 2,081,892	$ (4,050,877)	$ 28,249	$ (371,744)	$ (2,312,480)	$ 1,428	$ -0-	$ 68,548	$ 40,539	$ N/A	$ 2,075	$ 2,161	$ 3,073	$ 117,824
	1983	$ 2,686,873	$ (16,380,718)	$ 194,202	$ (100,903)	$ (13,600,546)	$ 525	$ -0-	$ -0-	$ 8,818	$ -0-	$ 3,303	$ 1,321	$ -0-	$ 13,967
Extraordinary Items	1982	$ -0-	$ -0-	$ -0-	$ (1,089,300)	$ (1,089,300)	$ -0-	$ -0-	$ -0-	$ -0-	$ N/A	$ -0-	$ -0-	$ -0-	$ -0-
	1983	$ -0-	$ 11,040,575	$ -0-	$ -0-	$ 11,040,575	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-
Net Income After Taxes	1982	$ 2,675,394	$ 19,276,792	$ 180,290	$ (1,547,828)	$ 20,584,648	$ 58,639	$ 61,863	$ 176,891	$ 184,323	$ N/A	$ 55,303	$ 33,067	$ 78,651	$ 648,737
	1983	$ 2,801,154	$ 3,863,508	$ 304,379	$ (49,106)	$ 6,919,935	$ 69,079	$ 201,194	$ (30,295)	$ 41,682	$ (37,661)	$ 95,895	$ 44,516	$ (153,723)	$ 230,687
Operating Ratio	1982	82.7%	100.1%	95.5%	94.7%	99.5%	84.5%	93.6%	74.7%	80.4%	N/A	99.7%	93.5%	92.4%	87.8%
	1983	79.8%	105.8%	87.4%	93.1%	104.5%	89.6%	90.2%	88.7%	91.8%	95.7%	102.2%	87.5%	102.9%	92.5%
Statistics (N.C. Only)															
Total Bus Miles Operated	1982	5,544,385	6,237,971	2,093,790	4,517,270	18,393,416	325,857	28,470	638,247	419,769	N/A	294,449	665,685	472,866	2,845,343
	1983	6,073,484	4,583,721	1,912,915	4,103,239	16,673,359	313,671	82,526	562,193	363,859	120,350	265,846	830,093	N/A	2,538,538
Length of bus route — miles — one way (actual)	1982	2,103	2,169	583	2,957	7,812	N/A	78	26	253	N/A	272	N/A	75	704
	1983	2,103	1,442	666	2,926	7,137	N/A	86	26	61	N/A	24	N/A	75	272
Total gallons gasoline purchased or used	1982	-0-	-0-	3,345	-0-	3,345	0	-0-	6,784	-0-	N/A	10,828	9,803	31,571	58,986
	1983	-0-	-0-	4,158	-0-	4,158	-0-	-0-	7,035	-0-	-0-	7,941	10,099	21,220	46,295
Total gallons diesel fuel purchased or used	1982	737,025	212,938	380,827	893,460	2,224,250	90,344	13,456	138,129	114,645	N/A	65,319	99,815	56,854	578,562
	1983	858,855	876,445	249,739	764,665	2,749,704	117,374	6,033	119,967	111,754	68,639	66,757	101,700	146,733	738,957
No. of tickets sold which originated in N.C. (Excludes charter & school passengers)	1982	654,516	231,762	316,159	N/A	1,202,437	N/A	N/A	2,351	N/A	N/A	156	N/A	-0-	2,507
	1983	471,535	155,454	255,921	N/A	882,910	N/A	N/A	150	N/A	-0-	43	N/A	-0-	193
Revenue for tickets originating in N.C. (Excludes charter & school passengers)	1982	$ 7,886,912	$ 6,767,109	$ 2,904,437	$ 2,237,543	$ 19,796,001	N/A	$ 25,389	$ 6,702	$ N/A	$ N/A	$ 1,586	$ N/A	$ -0-	$ 33,677
	1983	$ 7,756,757	$ 4,960,020	$ 2,869,525	$ 2,139,644	$ 17,725,946	$ N/A	$ N/A	$ 363	$ N/A	$ N/A	$ 554	$ N/A	$ -0-	$ 917
Average revenue per ticket originating in N.C. (Excludes charter & school passengers)	1982	$ 12.05	$ 29.20	$ 9.19	$ N/A	$ 14.60	$ N/A	$ 15.00	$ 2.85	$ N/A	$ N/A	$ 10.17	$ N/A	$ -0-	$ 3.31
	1983	$ 16.45	$ 31.91	$ 11.21	$ N/A	$ 17.65	$ N/A	$ N/A	$ 2.48	$ N/A	$ N/A	$ 12.89	$ N/A	$ -0-	$ 4.75
Other revenue originating in N.C. by charter & express	1982	$ 5,318,611	$ 2,271,894	$ 1,911,103	$ 864,215	$ 10,365,823	$ 534,838	$ 30,182	$ 1,801,970	$ N/A	$ N/A	$ 1,038,668	$ N/A	$ 2,013,077	$ 5,418,735
	1983	$ 5,384,409	$ 1,856,353	$ 659,420	$ 974,885	$ 8,875,067	$ N/A	$ N/A	$ 1,[illegible]00,249	$ N/A	$ 614,972	$ 1,117,346	$ N/A	$ 85,000	$ 3,517,567
Statistics (Systemwide)															
No. revenue passengers carried	1982	2,314,896	57,904,82[illegible]	583,355	1,273,925	62,077,002	N/A	1,693	62,351	N/A	N/A	60,318	N/A	192,000	316,362
	1983	2,188,899	44,906,58[illegible]	462,560	1,200,121	48,758,163	N/A	N/A	82,150	N/A	22,350	63,018	N/A	56,000	223,518
Avg. fare per passenger carried (actual)	1982	$ 8.96	$ 12.86	$ N/A	$ 9.37	$ 10.40	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ 75	$ N/A
	1983	$ 9.65	$ 13.90	$ N/A	$ 10.54	$ 11.36	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A
Total number of buses owned (actual)	1982	251	3,276	46	N/A	3,573	22	14	30	30	N/A	18	29	60	203
	1983	224	3,753	36	N/A	4,013	22	16	33	30	14	18	32	31	196
Total number of buses in service at year end	1982	67	3,057	31	133	3,288	12	12	5	12	N/A	10	N/A	15	66
	1983	62	1,916	33	107	2,118	16	11	8	12	-0-	10	N/A	26	83
Avg. no. of employees (actual)	1982	500	16,735	95	473	17,803	19	35	43	20	N/A	16	55	159	347
	1983	472	13,833	78	408	14,791	18	33	48	20	13	16	47	12	207

N/A — Not Available

FIGURE NO. 10-3

MOTOR PASSENGER CARRIERS — INTERCITY — CLASS III
Summary of Total Revenues and Expenses
For the Calendar Years 1982 and 1983

Company*	Operating Revenues 1982	Operating Revenues 1983	Operating Expenses 1982	Operating Expenses 1983	Operating Ratio 1982	Operating Ratio 1983
Asheville Carriage Co.[1]	$ 18,719	$ 20,946	$ 24,330	$ 39,815	130.0%	190.1%
Blue Ridge Lines, Inc.	488,400	358,143	408,556	366,615	83.7	102.4
Central Bus Lines of N.C.[2]	37,235	N/R	34,935	N/R	93.8	N/R
Dunn Management[3]	N/R	N/A	N/R	237,605	N/R	N/A
Hacaronee Bus Service[4]	56,241	N/R	49,459	N/R	87.9	N/R
Joshlis Charter[5]	N/A	3,118	N/A	10,507	N/A	337.0
King's Bus Service[6]	N/A	1,200	N/A	5,757	N/A	479.8
Lake Gaston Bus Service	14,131	3,127	15,642	3,019	110.7	96.5
McBroom Coach, Inc.[7]	N/A	109,930	N/A	100,642	N/A	91.6
Moore Brothers Transportation	135,350	168,658	99,484	94,245	73.5	55.9
Nooney Bus Lines, Inc.	58,412	60,280	60,061	61,410	102.8	101.9
Rockingham-Hamlet Bus Line	3,336	3,008	3,287	5,198	98.5	172.8
Silver Fox Lines	1,080	2,400	2,763	3	255.8	13
Statesville Motor Coach	455,990	417,310	407,467	387,126	89.4	92.8
Suburban Bus Lines	600	1,200	4,046	39	674.3	3.3
Travelines of Carolina Ltd.[8]	-0-	-0-	-0-	-0-	-0-	-0-
Triad Lines, Inc.	356,876	495,463	365,828	478,205	102.5	96.5
Virginia Dare Transportation Co., Inc.	245,126	210,846	279,145	272,677	113.9	129.3
Total	$ 1,871,496	$ 1,855,629	$1,755,003	$ 2,062,863	93.8%	111.2%

[1]The operating revenues for Asheville Carriage Service include income from noncarrier operations.
[2]The ownership and authority of Central Bus Lines of N.C. was transferred to McBroom Coach, Inc., on April 29, 1983. (Docket No. B-392).
[3]T & D Tours changed its name to Dunn Management Services, Inc., on June 12, 1984. (Docket No. 389, Sub 2).
[4]The operating authority of Hacaronee Bus Service was cancelled on April 4, 1984. (Docket No. B-355, Sub 1).
[5]This is the first year Joshlis Charter has been authorized to operate. (Docket No. B-405 dated August 26, 1983)
[6]This is the first year King's Bus Service has been authorized to operate. (Docket No. B-416 dated April 3, 1984).
[7]This is the first year McBroom Coach has been authorized to operate. The authority was purchased from Central Bus Lines of N.C. in Docket No. B-392 dated April 29, 1983.
[8]Travelines of Carolina Ltd. filed an annual report for 1982 and 1983 indicating there were no operations in either year.

*The following companies filed 1982 annual reports indicating there were no operations. These companies have all been sold to American Charter, Ltd:

Gaston-Lincoln Transit Co. (Docket No. B-366, Sub 1), 4-29-83
City Coach Company (Docket No. B-366, Sub 2), 4-29-83
Gastonia Transit Co. (Docket No. B-366, Sub 3), 4-29-83
City Tours & Charters (Docket No. B-366, Sub 4), 10-25-84

N/A — A report was filed but this information was not available.
N/R — No report was filed with the N.C. Utilities Commission.

FIGURE NO. 10-4

MOTOR PASSENGER CARRIERS — INTRACITY — CLASSES II & III[1]
Summary of Selected Income Items and Operational Statistics
For the Calendar Years 1982 & 1983

North Carolina Operations Only		Class II: Duke Power Durham	Class II: Duke Power Greensboro	Class II: Total Class II	Class III: Archie's Bus & Transit Service	Class III: Carolina Transit Lines of Charlotte	Class III: Charlotte City Coach	Class III: Conover Bus Lines	Class III: Dillahunt John T.	Class III: Emma Bus Lines	Class III: Houston Transport	Class III: Kannapolis Transit Co.	Class III: New Hope Charter	Class III: Total Class III
Operating Revenues	1982	$ 837,449	$ 553,670	$ 1,391,119	$- N/R-	$ 372,262	$ -0-	$ 14,398	$ 6,100	$ 175,472	$ 245,746	$ 258,165	$ N/R	$ 1,072,143
	1983	$ 826,927	$ 535,622	$ 1,362,549	$24,756	$ 390,452	$ N/R	$ 33,427	$ 6,400	$ 176,156	$ 211,439	$ 394,929	$ 5,868	$ 1,243,427
Operating Expenses	1982	$ 2,229,391	$ 1,720,226	$ 3,949,617	$ N/R	$ 293,857	$ 1,343	$ 28,862	$ 15,668	$ 175,067	$ 233,468	$ 219,789	$ N/R	$ 966,054
	1983	$ 2,222,598	$ 1,693,213	$ 3,915,811	$ 5,860	$ 306,626	$ N/R	$ 29,826	$ 18,388	$ 178,526	$ 173,977	$ 381,810	$ 7,432	$ 1,102,445
Net Operating Income Before Taxes	1982	$(1,391,942)	$(1,166,556)	$(2,558,498)	$ N/R	$ 78,405	$ (1,343)	$(12,464)	$ (9,568)	$ 405	$ 12,278	$ 38,376	$ N/R	$ 106,089
	1983	$(1,395,671)	$(1,157,591)	$(2,553,262)	$18,896	$ 83,826	$ N/R	$ 3,601	$(11,988)	$ (2,370)	$ 37,462	$ 13,119	$ (1,564)	$ 140,982
Other Income or (Deductions) — Net	1982	$ -0-	$ -0-	$ -0-	$ N/R	$ (5,564)	$ 100	$ (117)	$ -0-	$ (3,673)	$ (5,925)	$ (24,805)	$ N/R	$ (39,984)
	1983	$ -0-	$ -0-	$ -0-	$ -0-	$ 2,438	$ N/R	$ -0-	$ -0-	$ (5,652)	$ (12,762)	$ (12,849)	$ (1,548)	$ (30,373)
Income Taxes — Net	1982	$ -0-	$ -0-	$ -0-	$ N/R	$ 11,436	$ -0-	$ -0-	$ -0-	$ -0-	$ 16	$ 1,550	$ 253	$ N/R	$ 13,255
	1983	$ -0-	$ -0-	$ -0-	$ -0-	$ 19,822	$ N/R	$ -0-	$ -0-	$ -0-	$ 5,129	$ -0-	$ -0-	$ 24,951
Net Income After Taxes	1982	$(1,391,942)	$(1,166,556)	$(2,558,498)	$ N/R	$ 61,405	$ (1,243)	$(12,581)	$ (9,568)	$ (3,284)	$ 4,803	$ 13,318	$ N/R	$ 52,850
	1983	$(1,395,671)	$(1,157,591)	$(2,553,262)	$18,896	$ 66,442	$ N/R	$ 3,601	$(11,988)	$ (8,022)	$ 19,571	$ 270	$ (3,112)	$ 85,656
Operating Ratio	1982	266.2%	310.7%	283.9%	N/R	78.9%	N/A	186.6%	256.8%	99.8%	95.0%	85.1%	N/R	90.1%
	1983	268.8%	316.1%	287.4%	23.7%	78.5%	N/R	89.2%	287.3%	101.3%	82.3%	96.7%	126.6%	88.7%
Statistics (Actual) Systemwide														
Length of bus route — miles — one way	1982	52	82	134	N/R	12	N/A	N/A	46	N/A	N/A	N/A	N/R	58
	1983	52	70	122	N/A	N/A	N/R	N/A	46	8	N/A	N/A	N/A	54
Total no. of buses owned	1982	41	31	72	N/R	7	N/A	1	1	N/A	14	5	N/R	28
	1983	41	30	71	2	7	N/R	1	1	19	14	5	1	51
Average no. of buses operated daily	1982	22	19	41	N/R	2	N/A	N/A	1	N/A	11	N/A	N/R	14
	1983	22	17	39	3	N/A	N/R	N/A	1	1	11	N/A	1	17
Total bus miles operated — yearly	1982	864,038	784,494	1,668,532	N/R	153,841	N/A	N/A	40,000	130,862	136,481	106,398	N/R	567,582
	1983	881,400	737,805	1,619,205	N/A	150,539	N/R	N/A	45,000	269,344	117,374	88,336	N/A	670,693
Total revenue passengers hauled during year	1982	2,153,090	1,321,420	3,474,510	N/R	28,781	N/A	N/A	N/A	N/A	N/A	N/A	N/R	28,751
	1983	2,137,969	1,311,252	3,449,221	N/A	27,677	N/R	N/A	N/A	64,923	N/A	N/A	N/A	92,600
Total school passengers hauled during year (included in total passengers hauled)	1982	142,090	13,239	155,329	N/R	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/R	N/A
	1983	144,191	10,233	154,424	N/A	N/A	N/R	N/A	N/A	41,644	N/A	N/A	N/A	41,644
Average number of bus drivers	1982	42	36	78	N/R	4	N/A	2	N/A	N/A	4	6	N/R	16
	1983	41	35	76	N/A	4	N/R	2	N/A	N/A	3	5	N/A	14
Average number of full-time North Carolina employees	1982	70	76	146	N/R	6	N/A	3	N/A	19	10	N/A	N/A	38
	1983	68	73	141	N/A	6	N/R	3	N/A	10	20	9	N/A	48
Total North Carolina salaries & wages	1982	$ 1,223,264	$ 1,000,745	$ 2,224,009	$ N/R	$ 108,531	$ N/A	$ 9,625	$ N/A	$ N/A	$ 63,244	$ 52,098	$ N/R	$ 233,498
	1983	$ 1,265,819	$ 1,014,701	$ 2,280,520	$ N/A	$ 116,863	$ N/R	$ N/A	$ N/A	$ N/A	$ 59,954	$ 69,895	$ N/A	$ 246,712

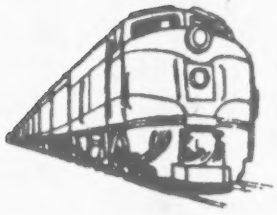
[1]Due to reclassification effective 1-1-80, there are no Class I carriers classified as Intracity.

N/A — A report was filed but this information was not available
N/R — No report was filed with the N.C. Utilities Commission

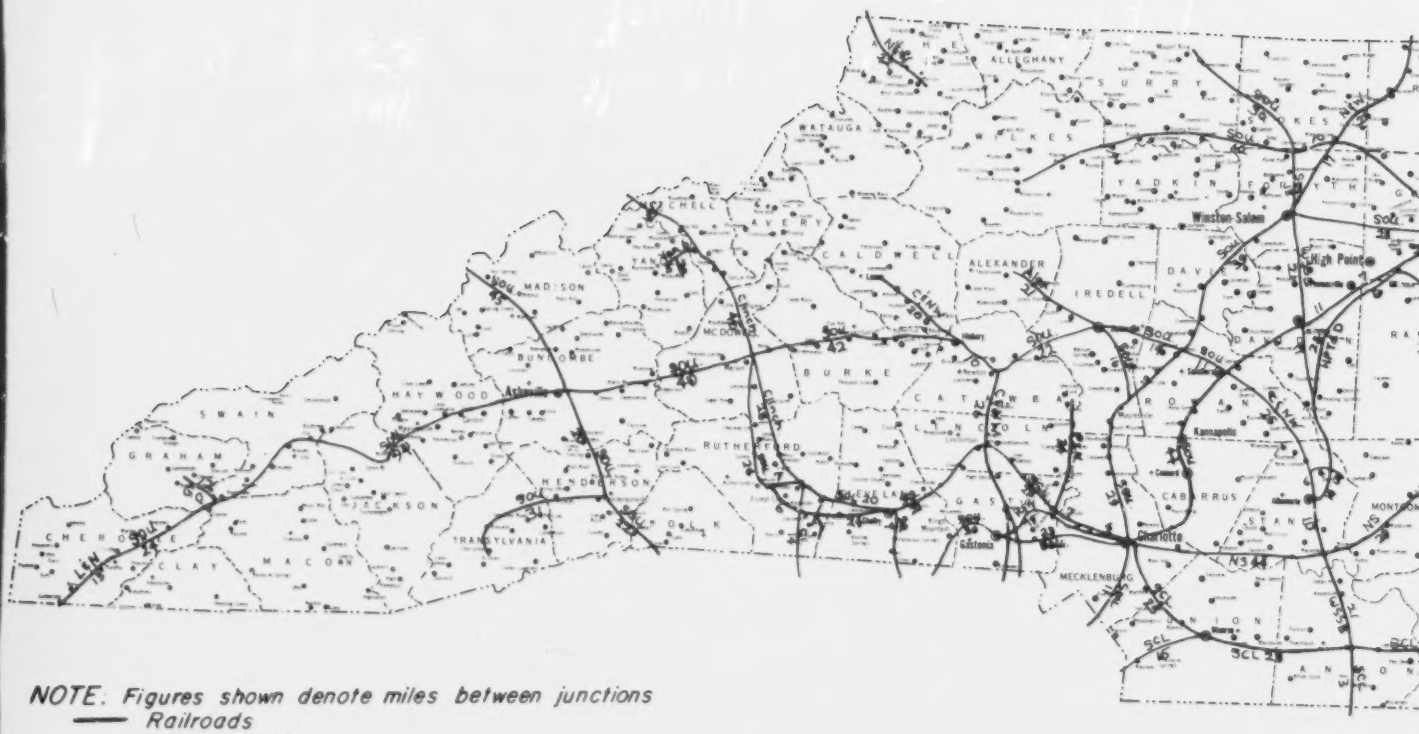
FIGURE NO. 10-5

Cases Appealed to Interstate Commerce Commission (ICC)
For the Years 1982 - 1984
Rates on Passenger Fares

Company	Docket Number	Date NCUC Granted Partial Increase	% Requested by Company	% Granted by NCUC	% Granted by ICC
Carolina Coach Co.	B-15, Sub 186	12-22-82	20%	15%	20%
Trailways Southeastern Lines	B-69, Sub 135	6-3-83	25%	18%	25%
Greyhound	B- 7, Sub 101	5-10-84	20%	-0-	20%
Trailways Southeastern Lines	B-69, Sub 139	8-29-84	32%	20%	32%
Carolina Coach Co.	B-15, Sub 190	10-11-84	71%	12%	71%
Abandonments					
Trailways Southeastern Lines	B-69, Sub 136	NCUC denied application 3-2-84		ICC approved application	



XI. The Transportation Industry—Railroads



NOTE. Figures shown denote miles between junctions

—— *Railroads*

o *County Seats*

• *Other Towns or Junctions*

FIGURE 11-1

MAP OF

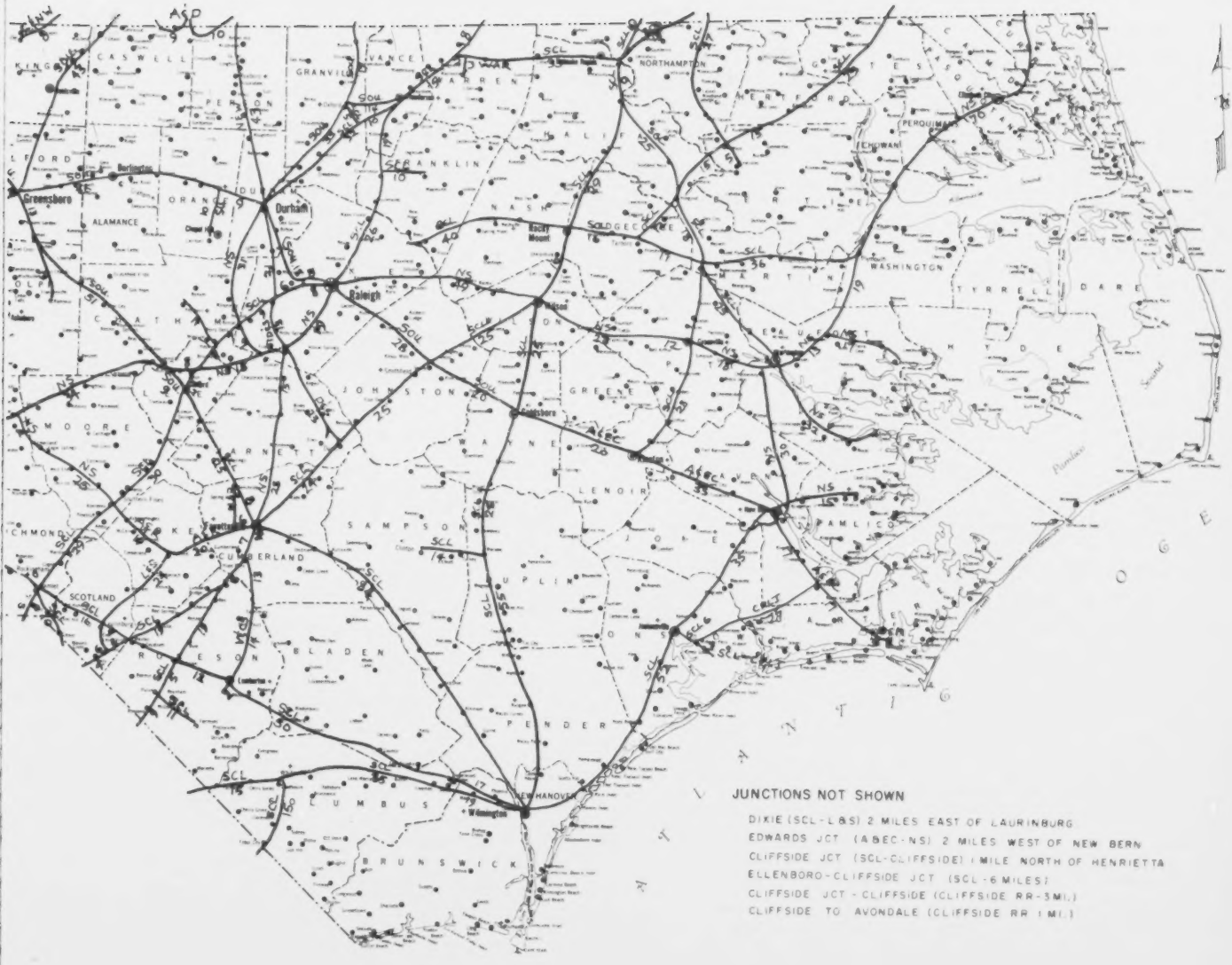
NORTH CAROLINA RAILROADS

PREPARED BY

NORTH CAROLINA UTILITIES COMMISSION

RALEIGH, N.C.

1983


Greensboro
Durham
Raleigh
Rocky Mount
Goldsboro
Wilson
Kinston
Fayetteville
Wilmington
Lumberton
Laurinburg
Rockingham
Roxboro
Henderson
Warrenton
Scotland
Whiteville
Tarboro
Washington
Plymouth
Edenton
Elizabeth City
Manteo
Belhaven
New Bern
Morehead City
Beaufort
Jacksonville
Southport
Ocean Isle
Calabash
Shallotte
Supply
Chadbourn
Clarkton
Tabor City
Conway
Aulander
Windsor
Ahoskie
Murfreesboro
Weldon
Roanoke Rapids
Enfield
Scotland Neck
Halifax
Littleton
Norlina
Oxford
Creedmoor
Louisburg
Franklinton
Henderson
Warrenton
Granville
Vance
Warren
Franklin
Nash
Edgecombe
Wilson
Halifax
Northampton
Hertford
Perquimans
Pasquotank
Camden
Currituck
Dare
Tyrrell
Hyde
Washington
Martin
Bertie
Gates
Chowan
Perquimans
Pasquotank
Camden
Currituck
Dare
Tyrrell
Hyde
Beaufort
Pamlico
Craven
Jones
Onslow
Pender
New Hanover
Brunswick
Columbus
Bladen
Robeson
Cumberland
Sampson
Duplin
Lenoir
Greene
Wayne
Johnston
Harnett
Lee
Moore
Chatham
Orange
Alamance
Caswell
Person
Granville
Vance
Warren
Franklin
Nash
Edgecombe
Wilson
Halifax
Northampton
Hertford

A. RAILROAD COMPANIES OPERATING IN NORTH CAROLINA 1983

Twenty railroad companies operated 3,886 miles of trackage in North Carolina as of December 31, 1983. Figure No. 11-1 is a map of the North Carolina Railroad System and Figure No. 11-2 shows a list of railroads franchised to operate as of December 31, 1982, and 1983. The State's rail system is well-developed with service available to many towns and to all regions of the state. Ninety of the state's one hundred counties receive rail service.

In North Carolina railroads are viewed as a very important element in the State's total freight transportation system, delivering many of the materials needed to run North Carolina's economy. The State's agricultural and wood product industries have relied on convenient and economical rail service. The coal-fired utility plants, which generate electricity for North Carolina industries, depend on rail for coal delivery.

In January 1978 the Interstate Commerce Commission (ICC) and the North Carolina Utilities Commission (NCUC) reclassified the railroads as follows:

Class I — $50,000,000 or more annual revenues
Class II — $10,000,000-$50,000,000 annual revenues
Class III — Less than $10,000,000 annual revenues

At December 31, 1983, there were three Class I railroads, one Class II railroad, and sixteen Class III railroads.

Although there are twenty separately identified rail companies serving North Carolina, most of the state's rail transport needs are provided by two large, well-established companies. Seaboard System Railroad Company and Southern Railway Company, together with their affiliates, control over 90% of the track-miles located in the state. The other Class I railroad presently serving North Carolina is Norfolk-Western Railway Company, which recently merged with Southern to form the Norfolk Southern Corporation.

B. PASSENGER SERVICE THROUGH NORTH CAROLINA

In North Carolina railroads not only contribute to commodity movements, they also provide for intercity passenger movements. During 1983 four trains per day provided regularly scheduled passenger service. Each was owned and operated by the National Railroad Passenger Corporation (AMTRAK). AMTRAK was established in 1970 to relieve railroads of the responsibility of providing rail passenger services. When AMTRAK was formed only two railroads provided passenger service in North Carolina: Seaboard Coast Line Railroad Company (SCL) and Southern Railway Company (Sou).

Seaboard Coast Line Railroad Company joined AMTRAK, and as a result AMTRAK now operates passenger trains over the rails of SCL Nos. 81 and 82, The Silver Star, between New York and Miami, Florida, with stops at Raleigh and Hamlet, North Carolina; Nos. 83 and 84, The Silver Meteor, between Boston, Massachusetts, and Miami, Florida, serving Rocky Mount, North Carolina, as a conditional stop; and Nos. 85 and 86, the Champion, operating between Boston, Massachusetts, and St. Petersburg, Florida, with stops at Rocky Mount, Wilson, and Fayetteville, North Carolina.

On April 6, 1978, Southern Railway Company filed an application with the ICC to discontinue operation of its last passenger train operating in North Carolina. On or about February 1979 AMTRAK took over and began operation of the Southern Crescent, Nos. 1 and 2, operating between Washington, D.C., and Atlanta, Georgia, which was the last independent rail service in North Carolina provided on regular schedules.

The federal budget cuts made in 1981 forced major revisions in AMTRAK's overall service but did not affect service to North Carolina. With the addition of new or rebuilt equipment on all North Carolina routes, service has become more attractive and reliable; however, increased fares may be necessary to absorb the cost of these improvements.

C. RAIL SAFETY ACTIVITY BY COMMISSION

During 1983, as in previous years, the Utilities Commission was very active in the investigation and surveillance of the condition of rail trackage and other rail equipment and facilities in an effort to minimize the frequency and severity of rail accidents caused by inadequate maintenance and/or malfunctioning equipment.

During the period 1973-1983 the Commission enlarged the scope of its rail safety program by the addition of three Rail Safety Engineers whose sphere of responsibility includes the inspection of all rail trackage and rail equipment in North Carolina.

The duties of these three engineers encompassed on-site inspection of track conditions and equipment, and investigations of train accidents. A written report is filed concerning each inspection, and any defect found is required to be corrected. In addition to on-site inspections, these engineers also conduct inspections of company records to ensure compliance with the rail safety regulations. The Federal Railroad Administration reimburses the transportation division for 50% of their expenditures in this rail safety program.

D. MOBILE AGENCY CONCEPT AND STATION CLOSINGS IN NORTH CAROLINA

Mobile Agency Concept

A major innovation in rail freight transportation has been the implementation, upon Commission approval after investigation and hearing, of a mobile agency concept in North Caro-

lina. This concept has replaced the fixed agent (serving one town on a five-day, 40-hour week or less basis) with a mobile agent operating a special radio-equipped van, serving by highway several small towns in a given area. On a variable route six days per week the agent calls on railroad customers in their respective places of business, rather than the customer having to go to the railroad station as in the past.

The area served by the mobile agent is also served by a special telephone system connected to a central, or base agency, station manned 13 hours per day, six days per week. This station is connected by a Telex system to a car information computer center. Any customers in the area, by dialing a special number, can talk directly to the personnel in the base agency toll free and conduct such business with the railroad as is necessary. In addition the base agent, by using the Telex system, can relay almost immediately any car information a customer requests. The base agent, the mobile agent, and the train crews in the vicinity are in constant communication with each other by radio so that customers can be served efficiently.

This concept, with some variations, is in effect in many places throughout the State. The latest mobile agency stations were approved in 1983:

Mobile Agency Stations Approved

R-71, Sub 117	10-13-83	Rocky Mount	Abolish existing Mobile Agency Station and establish a New Mobile Agency Station.
R-71, Sub 119	11-6-83	Spruce Pine	Establish a Mobile Agency Station.

Station Closings

The railroads in 1983 and 1984 continued their activity in consolidating their freight handling operations by requesting permission from the Utilities Commission to discontinue freight handling facilities at several locations. The requests by the companies to close or discontinue service at most of the locations are based on economic factors, with the decreasing volume of freight handled at the particular location being the main reason given.

Figure No. 11-3 lists the companies, locations, and facilities affected by the Commission action after hearings with the general public located in the respective areas.

E. RAIL CROSSINGS

There were 7,786 highway rail crossings in North Carolina in 1983, up from 5,540 in 1982. The 1983 figure includes an estimate for the number of railway crossings owned by Southern Railway Company. In 1982 they reported more than 5,500 railway crossings in North Carolina. The 1983 total crossings figure is an estimate from the N.C. Highway Division. During 1983 there were 19 deaths and 99 injuries resulting from accidents involving highway rail crossings. In 1982 there were nine deaths and 63 injuries. The Utilities Comission has very limited jurisdiction in the elimination of grade crossings and the erection of signaling devices at them. The jurisdiction over State highway system roads and links therein, including the proration of costs of relocation and signaling devices, is in the Highway Commission, with a statutory provision that 90% of such costs are to be borne by the Highway Commission.

F. STATISTICAL SUMMARY DATA

Operating revenues of all the railroads decreased in 1983 over 1982. The portion allocated to North Carolina decreased by 7.7% and by 25.0% for the total system. Operating expenses decreased 22.0% for the North Carolina operations and 27.3% for the total system. The North Carolina operating ratio was 86.9% in 1983 compared to 102.8% in 1982. See Figure No. 11-4.

Railway freight activity in North Carolina, as reflected by the tons of revenue freight originating in North Carolina, decreased 1.7% in 1983 over 1982. Figure No. 11-5 shows in detail the types of commodities carried by rail. Lumber, wood products, pulp, paper, and chemicals were the leading commodities carried by rail in 1983. These commodities were well suited for the rail mode because they are characteristically bulky, high-volume or low-value commodity types.

North Carolina's railroads constitute a well-established and significant industry. They not only support economic prosperity by contributing to state and local taxes, but they also employ many state residents. The number of employees residing in North Carolina and working for the railroads was 6,253 at year end 1983. The total compensation for railroad employees was more than $158 million with the average salary per worker at $26,287. See Figure Nos. 11-6, 11-7, and 11-8 for additional financial and statistical data on the operation of all railroads.

FIGURE NO. 11-2

RAILROADS AUTHORIZED TO OPERATE IN NORTH CAROLINA AS OF DECEMBER 31, 1983

Company	Main Business Office	Abbreviation	Class	Mileage Operated North Carolina 1982	North Carolina 1983	System 1982	System 1983	1983 % in N.C.
Aberdeen & Briar Patch Railway Co.[1]	Aberdeen, N.C.	ABPR	III	-0-	-0-	-0-	-0-	-0-
Aberdeen & Rockfish Railway Co.	Aberdeen, N.C.	A&R	III	47	47	47	47	100.0
Alexander Railroad Co.	Taylorsville, N.C.	ARC	III	19	19	19	19	100.0
Atlantic & East Carolina Railway Co.	Washington, D.C.	A&EC	III	95	95	95	95	100.0
Atlantic & Western Corp.	Sanford, N.C.	ATW	III	3	3	3	3	100.0
Beaufort & Morehead Railroad Co.	Beaufort, N.C.	B&MN	III	4	3	4	3	100.0
Camp Lejeune Railroad Co.	Washington, D.C.	CLRR	III	30	30	30	30	100.0
Cape Fear Railways, Inc.	Fort Bragg, N.C.	CFR	III	10	32	10	32	100.0
Carolina & Northwestern Railway Co.	Washington, D.C.	CNW	II	672	672	817	817	100.0
Cliffside Railroad Co.	Cliffside, N.C.	Cliff	III	4	7	4	7	100.0
Fairmont & Western Railroad Co.[2]	Laurinburg, N.C.	FWRD	III	-0-	-0-	-0-	-0-	-0-
High Point, Thomasville, & Denton Railroad Co.	Jacksonville, Fla.	HPT	III	34	50	34	50	100.0
Laurinburg & Southern Railroad Co.	Laurinburg, N.C.	LSR	III	28	28	28	28	100.0
Norfolk & Western Railway Co.	Roanoke, Va.	N&W	I	95	95	7,865	7,981	1.2
Red Springs & Northern Railroad Co.[3]	Laurinburg, N.C.	RSNR	III	-0-	-0-	-0-	-0-	-0-
Seaboard System Railroad, Inc.	Jacksonville, Fla.	SBD	I	1,449	1,578	8,772	15,064	10.5
Southern Railway Co.	Washington, D.C.	Sou	I	1,118	1,100	5,826	5,817	18.9
State University Railroad Co.	Washington, D.C.	S.T.U.	III	10	10	10	10	100.0
Warrenton Railroad Co.	Warrenton, N.C.	W.R.R.	III	3	3	3	3	100.0
Winston Salem Southbound Railway Co.	Jacksonville, Fla.	WSS	III	87	114	87	114	100.0
TOTALS - 20 Companies				3,708	3,886	23,654	30,120	12.9%

[1]Aberdeen & Briar Patch began official operations in 1984.

[2]Laurinburg & Southern Railroad purchased Fairmont & Western Railroad from Seaboard System Railroad, Inc., and their official operations began in July 1984.

[3]Laurinburg & Southern Railroad purchased Red Springs & Northern Railroad from Seaboard System Railroad, Inc., and their official operations began in August 1984.

FIGURE NO. 11-3

RETIREMENT, ABANDONMENT, AND RELOCATION OF STATIONS AND FACILITIES
Period 1983-1984

Docket Number	Date of Order	Location of Facility (North Carolina)	Disposition of Facility
		ATLANTIC & EAST CAROLINA RAILROAD COMPANY	
R-10, Sub 13	1-13-83	New Bern	Remove Track
R-10, Sub 14	4-12-83	Morehead City	Remove Track
R-10, Sub 15	8-24-84	Kinston	Remove Track No. 27-2 and a portion of Track No. 27-3
R-10, Sub 16	8-24-84	Goldsboro	Retire & Remove Track No. 1-10
R-10, Sub 17	8-31-84	Kinston	Retire & Remove Track No. 24-2
R-10, Sub 18	12-18-84	Goldsboro	Retire & Remove Track No. 2-3
		CAROLINA & NORTHWESTERN RAILROAD COMPANY	
R-15, Sub 6	4-15-83	Wilson	Remove Track
R-15, Sub 7	6-26-84	Belhaven	Close Agency Stations and Change Base Station
R-15, Sub 8	4-2-84	Alchal	Removal from Open and Prepay Tariff
R-15, Sub 10	8-24-84	Lenoir	Retire & Remove Track No. 110-8
R-15, Sub 11	8-24-84	Hickory	Retire & Remove Track No. 93-6 (Mile Post 92)
R-15, Sub 12	9-7-84	Lenoir	Retire & Remove Spur Track (Mile Post H G -109.3)
R-15, Sub 13	11-2-84		Abolish Mobile Route NS-3 & Modify Mobile Route NS-4
R-15, Sub 14	12-19-84	Raleigh	Retire & Remove Industrial Track
		SEABOARD SYSTEM RAILROAD COMPANY	
R-71, Sub 114	5-5-83	Leland	Retire the Public Team Track & Change the Station from Public to Private
R-71, Sub 116	4-29-83	Fayetteville	Consolidate Two Mobile Agencies
R-71, Sub 117	10-13-83	Tarboro	Abolish existing Mobile Agency & Establish a New Mobile Agency Station in Rocky Mount
R-71, Sub 118	6-22-83	Raleigh & Hamlet	Modification & Realignment of Mobile Agencies
R-71, Sub 119	11-6-84	Spruce Pine	Establish a Mobile Agency Station
R-71, Sub 120	8-5-83	Lemon Springs	Retire Team Track & Discontinue the Form Nonagency Station
R-71, Sub 121	8-24-83		Retire Team Track & Remove Station from Open & Prepay Station List
R-71, Sub 123	2-10-84		Retire Team Track & Remove Station from Open & Prepay Station List
R-71, Sub 124	2-10-84		Retire Team Track & Remove Station from Open & Prepay Station List
R-71, Sub 125	4-19-84		Retire Team Track & Remove Station from Open & Prepay Station List
R-71, Sub 126	12-13-84	Calypso	Retire Team Track & Remove Station from Open & Prepay Station List
R-71, Sub 127	9-28-84		Retire Team Track & Remove Station from Open & Prepay Station List
R-71, Sub 128	10-18-84	Henderson	Consolidate Two Existing Mobile Agency Stations
R-71, Sub 130	9-28-84		Retire Team Track & Remove Station from Open & Prepay Station List
		SOUTHERN RAILWAY COMPANY	
R-29, Sub 364	8-2-83	Newton	Retire & Remove Tracks
R-29, Sub 395	1-20-83	Huntersville	Remove Nunc Pro Tunc Sidetrack
R-29, Sub 408	4-14-83	Statesville	Remove Track No. 24-3
R-29, Sub 419	3-24-83	Tryon	Retire & Remove Track No. 41-1
R-29, Sub 420	1-13-83	Graham	Remove Track
R-29, Sub 422	2-10-83	Glass	Remove Track No. 351-6
R-29, Sub 423	2-15-83	Mt. Airy	Remove Track
R-29, Sub 424	2-15-83	Rockwell	Remove Track
R-29, Sub 425	2-15-83	Edenton	Remove Track
R-29, Sub 426	3-24-83	Muddy Creek	Retire & Remove Track
R-29, Sub 427	4-26-83	Eno	Remove Track
R-29, Sub 428	4-1-83	Bear Poplar	Remove Track
R-29, Sub 429	3-24-83	Greensboro	Retire & Remove Track
R-29, Sub 430	3-23-83		Retire & Remove Track No. 130-19
R-29, Sub 431	5-4-83	Winston-Salem	Retire & Remove Sidetrack No. 2-8
R-29, Sub 432	3-24-83	Durham	Retire & Remove Sidetrack No. 57-10
R-29, Sub 433	4-14-83	Winston-Salem	Retire & Remove Sidetrack No. 2-7
R-29, Sub 434	4-15-83	Graham	Retire & Remove Sidetrack No. 23-6
R-29, Sub 435	4-26-83	Concord	Retire & Remove Sidetrack No. 358-5
R-29, Sub 436	2-23-84	Kernersville	Add Freight Agency Station to Mobile Agency Route on permanent basis
R-29, Sub 437	6-29-83	Fonville	Retire & Remove Sidetrack
R-29, Sub 439	7-6-83	Asheville	Remove a portion of Sidetrack
R-29, Sub 440	12-5-83	Charlotte	Remove Track
R-29, Sub 441	5-10-84	Davidson	Remove Track
R-29, Sub 442	8-5-83	Lowell	Remove Track
R-29, Sub 443	10-26-83	Walnut Cove	Remove Track
R-29, Sub 444	8-5-83	High Point	Remove Track
R-29, Sub 445	2-9-84	Kernersville	Retire & Remove Track No. 15-4
R-29, Sub 446	5-16-84	Oxford	Remove Track
R-29, Sub 447	8-9-84	Belmont	Close Freight Agency & Change Base Station
R-29, Sub 448	2-15-84	Charlotte	Remove Track
R-29, Sub 449	2-29-84	Kernersville	Remove Track
R-29, Sub 450	1-25-84	Goldsboro	Remove Track

Docket Number	Date of Order	Location of Facility (North Carolina)	Disposition of Facility
R-29, Sub 451	7-27-84	Hendersonville	Remove Track
R-29, Sub 452	3-2-84	Mooresboro	Remove Nunc Pro Tunc House Track & Depot Station
R-29, Sub 453	4-19-84	Asheville	Remove Track
R-29, Sub 454	4-2-84	Lincolnton	Remove Track
R-29, Sub 455	9-6-84	Charlotte	Retire & Remove Track Nos. 378-23, 2 & 378-31
R-29, Sub 457	6-26-84	Raleigh	Retire & Remove Track No. H82-22
R-29, Sub 458	4-20-84	Murphy	Removal of Track
R-29, Sub 459	5-10-84	Friendship	Removal of Track
R-29, Sub 460	5-21-84	Goldsboro	Removal of Depot House Track No. i30-7
R-29, Sub 462	6-7-84	Liberty	Retire & Remove Track No. 92-1
R-29, Sub 463	6-7-84	Landis	Retire & Remove Track Nos. 246-1, 346-2 & 346-3
R-29, Sub 466	8-10-84	Asheboro	Close Agency Station & Modify Mobile Agency Route SOU-NC-13 & add Asheboro & its Governed Stations to Route
R-29, Sub 467	8-7-84	Four Mile	Removal & Retirement of Unused Team Track No. 5-1 & the Removal of the Nonagency Station from the Open & Prepay Tariffs
R-29, Sub 468	8-7-84	Winston Salem	Retire & Remove Track No. 4-5
R-29, Sub 469	9-6-84	Greensboro	Retire & Remove Track Nos. 282-8 & 282-9
R-29, Sub 470	9-11-84	Kernersville	Retire & Remove Track No. 14-3
R-29, Sub 471	10-5-84	Tryon	Retire & Remove Track No. 41-4
R-29, Sub 472	10-17-84	Hendersonville	Retire & Remove Track No. 2-3
R-29, Sub 473	11-5-84	Hendersonville	Retire & Remove a Spring Track from the Main Track at Mile Post Tr.-2.4
R-29, Sub 474	10-17-84	Hendersonville	Retire & Remove Track No. 22-1
R-29, Sub 475	10-18-84	Friendship	Remove the Switch Connection to the Track Serving the Exxon Company
R-29, Sub 476	12-28-84	Bessemer City	Retire & Remove Track No. 407-1
R-29, Sub 478	12-10-84	Washburn	Retire & Remove Track No. 160-1
R-29, Sub 479	10-25-84	Burlington	Retire & Remove Track located at Mile Post H-21.8
R-29, Sub 482	12-18-84	Waynesville	Retire & Remove Track No. 27-8
		WINSTON-SALEM SOUTHBOUND RAILWAY	
R-35, Sub 12	2-17-83	Albemarle	Change Albemarle, Stanly County, N.C. Agency Station to a Nonagency Station & to Transfer its Nonagency Stations presently under the Jurisdiction of its Albemarle Agency Station to its Lexington Agency Station
		YANCEY RAILROAD COMPANY	
R-72, Sub 1	6-21-84		Order granting permission to sell assets

FIGURE NO. 11-4

RAILROAD CLASSES I, II, & III
OPERATING REVENUES, EXPENSES, & RATIOS

(North Carolina Data Only)
For the Years 1960, 1965, 1970, 1975, 1980, 1982, & 1983

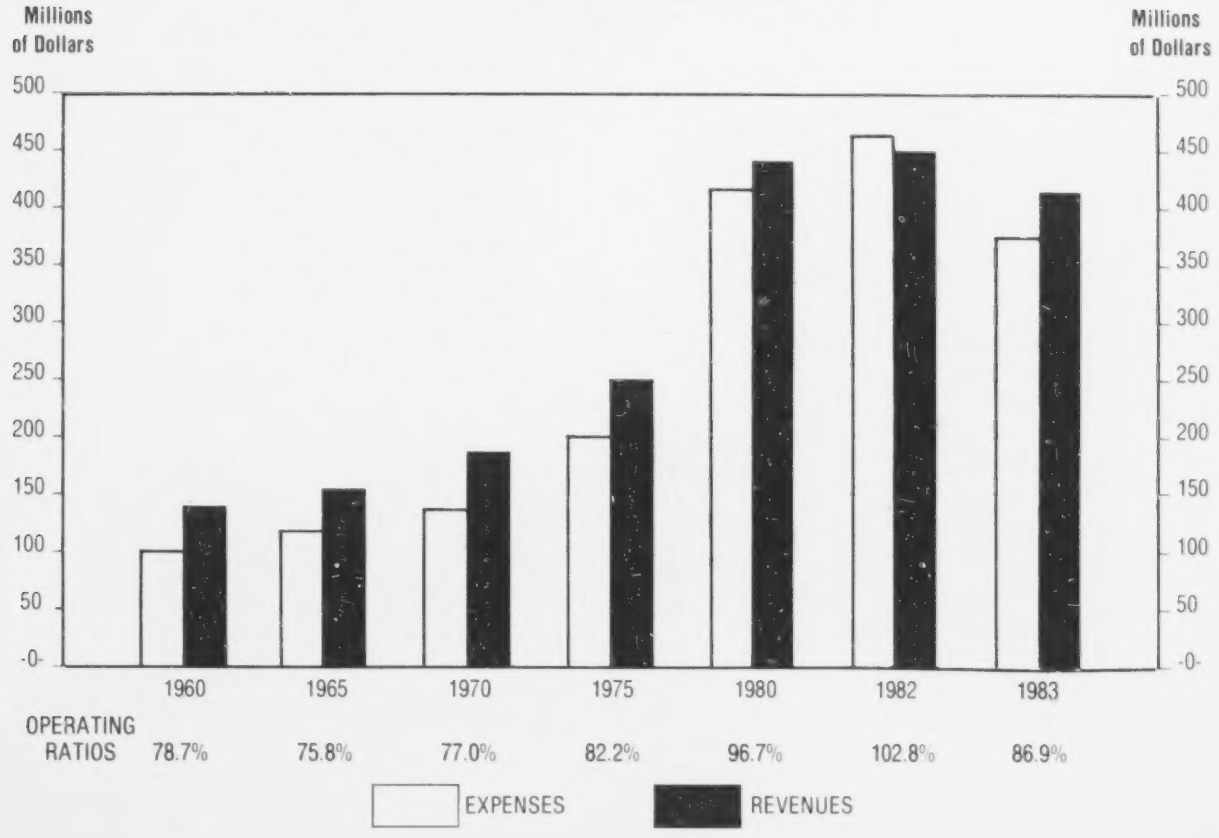


FIGURE NO. 11-5

TONS (2,000 LBS.) OF REVENUE FREIGHT BY COMMODITY TYPE ORIGINATING IN NORTH CAROLINA ON THE CLASS I, II AND III RAILROADS UNDER REGULATION AT DECEMBER 31, 1983

	Group & Commodity	Class I	Class II	Class III	Grand Total
01	Farm Products	357,213	290,513	106,630	754,356
08	Forest Products	351	-0-	20,633	20,984
09	Fresh Fish & Other Marine Products	-0-	-0-	-0-	-0-
10	Metallic Ores	-0-	55	-0-	55
11	Coal	63,857	-0-	520	64,377
13	Crude, Petro, Nat. Gas. & Nat. GSLN	-0-	-0-	-0-	-0-
14	Nonmetallic Minerals Except Fuels	1,223,265	232,887	44,207	1,500,359
19	Ordinance & Accessories	13,136	-0-	10,780	23,916
20	Food & Kindred Products	933,434	626,447	269,197	1,829,078
21	Tobacco Products	117,520	3,615	9,041	130,176
22	Textile Mill Products	66,807	5,780	181	72,768
23	Apparel & Other Finished Textile PRD. JNC Knit	15,038	-0-	-0-	15,038
24	Lumber & Wood Products Except Furn.	4,092,756	204,337	55,954	4,353,047
25	Furniture & Fixtures	122,841	33,582	4,273	160,696
26	Pulp, Paper, & Allied Products	1,549,251	393,917	725	1,943,893
27	Printed Matter	-0-	-0-	-0-	-0-
28	Chemicals & Allied Products	1,883,432	350,920	31,376	2,265,728
29	Petroleum & Coal Products	41,900	346	355,805	398,051
30	Rubber & Miscellaneous Plastic Products	62,189	74,762	468	137,419
31	Leather & Leather Products	-0-	-0-	-0-	-0-
32	Stone, Clay, Glass, & Concrete Products	785,214	286,310	28,061	1,099,585
33	Primary Metal Products	58,747	30,100	12,379	101,226
34	Fabr. Metal Prod. Exc. Ordn. Mach. & Transpt.	30,038	773	1,868	32,679
35	Machinery, Except Electrical	9,161	213	186	9,560
36	Electrical Machinery, Equip., & Supplies	21,279	92	43	21,414
37	Transportation Equipment	19,761	-0-	747	20,508
38	Instruments, Phot. & Optical GD, Watches	690	-0-	-0-	690
39	Miscellaneous Products of Manufacturing	2,947	-0-	215,241	218,188
40	Waste & Scrap Material	671,226	90,827	44,146	806,199
41	Miscellaneous Freight Shipments	8,678	72	14,033	22,783
42	Containers, Shipping Returned Empty	20,158	443	712	21,313
44	Freight Forwarder Traffic	18,271	-0-	79,048	97,319
45	Shipper Assoc. or Similar Traffic	75,007	-0-	-0-	75,007
46	Miscellaneous Mixed Shipment Exc. Fwd. & Ship Association	332,551	132	19,237	351,920
47	Small Package (LCL)	23,689	123,305	2,468	149,462
	Grand Total	12,620,407	2,749,428	1,327,959	16,697,794

FIGURE NO. 11-6

RAILROADS — CLASS I AND II—SUMMARY OF SELECTED DATA — INCOME, EXPENSES, BALANCE SHEET, AND STATISTICAL ITEMS

For the Calendar Years 1960, 1965, 1970, 1975, 1980, 1982, and 1983

	Allocation of Data	1960	1965	1970	1975	1980	1982	1983	% Change More (Less) 1983-1982
No. of Companies Covered by Data:				6	6	6	6	4[1]	
Income & Expense Items									
Operating Revenues	N.C.	$ 120,401	$ 140,701	$ 192,795	$ 237,456	$ 424,893	$ 430,828	$ 396,141	(8.1)
	Total	1,083,951	1,592,074	2,072,069	2,838,455	5,031,268	6,761,099	5,059,470	(25.2)
Operating Expenses	N.C.	95,518	107,743	150,734	197,725	412,898	446,739	345,835	(22.6)
	Total	866,136	1,141,031	1,536,621	2,127,880	4,327,113	6,052,171	4,393,481	(27.4)
Net Operating Income Before Taxes	N.C.	24,883	32,958	42,061	39,731	11,995	(15,911)	50,306	216.2
	Total	$ 217,815	$ 451,043	$ 535,448	$ 710,575	$ 704,155	$ 708,928	$ 665,989	(6.1)
Operating Ratio	N.C.	79.3%	76.6%	78.2%	83.3%	97.2%	103.6%	87.3%	15.7
	Total	79.9%	71.7%	74.2%	75.0%	86.0%	89.5%	86.8%	(3.0)
Fixed Charges	Total	$ 48,233	$ 82,308	$ 123,631	$ 155,903	$ 192,466	$ 202,219	$ 175,788	(13.1)
Other Income (Deductions)	Total	$ (40,919)	$ (186,305)	$ (229,387)	$ (301,858)	$ 135,765	$ 167,646	$ (100,522)	—
Net Income (Including Taxes) in thousands	Total	$ 128,663	$ 184,718	$ 182,430	$ 252,814	$ 647,454	$ 674,355	$ 389,679	(42.2)
State Income Taxes	N.C.	N/A	412	370	584	2,611	(177)[2]	275	—
Real Estate & Personal Property Taxes	N.C.	N/A	3,394	3,036	3,420	4,417	4,993	5,331	6.8
Other N.C. Taxes	N.C.	N/A	758	2,625	4,279	5,240	4,736	3,826	(19.2)
Total Tax Accruals	N.C.	$ N/A	$ 4,564	$ 6,031	$ 8,283	$ 12,268	$ 9,552	$ 9,432	(1.3)
Balance Sheet Items									
Net Book Value—Transportation Property	Total	$ 2,873,588	$ 3,816,261	$ 4,597,303	$ 5,116,622	$ 6,202,901	$ 6,770,676	$ 8,148,870	20.4
Statistics:									
Average Miles of Road Operated	N.C.	3,722	3,743	3,705	3,691	$ 3,646	3,652	3,411	(6.6)
	Total	25,434	30,343	29,873	30,310	29,706	30,017	29,645	(1.2)
Freight Revenue	N.C.	$ 104,098	$ 130,134	$ 181,027	$ 230,248	$ 406,338	$ 433,474	$ 387,531	(10.6)
	Total	$ 958,647	$ 1,449,866	$ 1,972,758	$ 2,751,770	$ 4,885,219	$ 6,583,648	$ 4,929,274	(25.1)
Tons of Revenue Freight Hauled (000s)	N.C.	63,636	86,772	107,529	99,140	113,441	106,233	93,648	(11.8)
	Total	348,481	506,307	559,173	635,355	586,593	536,757	468,841	(12.7)
Freight Revenue Per Ton	N.C.	$ 1.64	$ 1.50	$ 1.79	$ 2.32	$ 3.44	$ 3.83	$ 4.14	8.1
	Total	$ 2.75	$ 2.86	$ 3.71	$ 4.33	$ 8.37	$ 12.26	$ 10.51	(14.3)
Gallons Diesel Fuel Purchased or Used (000s)	N.C.	41,614	49,949	59,518	59,748	66,717	63,229	50,707	(19.8)
No. of Employees Allocated	N.C.	9,978	7,802	6,926	6,556	6,822	5,631	6,028	7.0
Total Compensation of Employees (000s)	N.C.	$ 56,258	$ 53,604	$ 66,378	$ 92,890	$ 138,716	$ 148,463	$ 154,002	3.7
Average Annual Compensation/Employee	N.C.	$ 5,163	$ 6,871	$ 9,584	$ 14,169	$ 20,334	$ 26,365	$ 25,548	(3.1)
Highway Railroad Grade Crossings	N.C.	3,779	3,448	3,498	3,475	6,121	5,240	7,476	42.7
No. Killed — Grade Crossing Accidents	N.C.	N/A	57	39	25	34	9	17	88.9
No. Injured — Grade Crossing Accidents	N.C.	N/A	133	175	129	95	63	90	42.9

[1]There were three Class I Railroads and one Class II Railroad used for this data. See Figure No. 11-2 for a listing of the Railroads.
[2]This number does not include Clinchfield Railroad, Louisville & Nashville Railroad, or Seaboard Coast Line. The information was not available.

FIGURE NO. 11-7

RAILROADS — CLASS III[1] SUMMARY OF SELECTED DATA — INCOME, EXPENSES, BALANCE SHEET, AND STATISTICAL ITEMS

For the Calendar Years 1960, 1965, 1970, 1975, 1980, 1982, and 1983

	Allocation of Data	1960	1965	1970	1975	1980	1982	1983	% Change More (Less) 1983-1982
No. of Companies Covered by Data		21	21	17	17	15	16	16	
Income & Expense Items									
Operating Revenues	N.C.	$ 7,104	$ 8,619	$ 11,603	$ 12,702	$ 19,967	$ 18,333	$ 18,639	1.7
	Total	9,913	11,390	16,371	17,458	26,655	18,333	18,639	1.7
Operating Expenses	N.C.	4,771	5,483	6,630	7,827	17,396	15,157	14,445	(4.7)
	Total	6,888	7,624	9,862	10,585	23,497	15,157	14,445	(4.7)
Net Operating Income Before Taxes	N.C.	2,333	3,136	4,973	4,875	2,571	3,176	4,194	32.1
	Total	3,025	3,766	6,509	6,873	3,158	3,176	4,194	32.1
Operating Ratio	N.C.	67.2%	63.6%	57.1%	61.6%	87.1%	82.7%	77.5%	6.3
	Total	69.5%	66.9%	60.2%	60.6%	88.2%	82.7%	77.5%	6.3
Fixed Charges	Total	$ 485	$ 615	$ 1,227	$ 492	$ 249	$ 197	$ 1,245	532.0
Other Income (Deductions)	Total	$ (2,751)	$ (2,752)	$ (3,524)	$ (4,390)	$ (47)	$ 11	$ (1,153)	—
Net Income (Including Taxes)	Total	$ (211)	$ 399	$ 1,758	$ 1,991	$ 2,862	$ 2,990	$ 1,796	39.9
(In Thousands)									
State Income Taxes	N.C.	$ N/A	$ 35	$ 129	$ 116	$ 166	$ 71	$ 97	36.6
Real Estate & Personal Property Taxes	N.C.	N/A	157	122	133	-74	69	94	36.2
Other N.C. Taxes	N.C.	N/A	331	870	112	116	754	1,077	42.8
Total Tax Accruals	N.C.	$ N/A	$ 523	$ 1,121	$ 361	$ 356	$ 894	$ 1,268	41.8
Balance Sheet Items									
Net Book Value—Transportation Property	Total	$ 11,797	$ 17,799	$ 22,007	$ 16,235	$ 18,315	$ 19,216	$ 25,129	30.8
Statistics:									
Average Miles of Road Operated	N.C.	697	721	635	478	425	368	441	19.8
	Total	1,037	1,028	945	661	583	368	441	19.8
Freight Revenue	N.C.	$ 6,930	$ 8,261	$ 11,442	$ 12,226	$ 17,457	$ 16,801	$ 9,946	(40.8)
	Total	$ 9,696	$ 10,954	$ 15,830	$ 17,043	$ 23,632	$ 16,801	$ 9,946	(40.8)
Tons of Revenue Freight Hauled (000s)	N.C.	7,348	9,961	11,155	7,542	6,987	5,117	5,280	3.2
	Total	9,009	11,464	13,444	9,515	8,587	5,117	5,280	3.2
Freight Revenue Per Ton	N.C.	$ .94	$ .83	$ 1.04	$ 1.62	$ 2.50	$ 3.28	$ 2.99	(8.8)
	Total	$ 1.08	$ .96	$ 1.22	$ 1.79	$ 2.75	$ 3.28	$ 2.99	(8.8)
Gallons Diesel Fuel Purchased or Used (000s)	N.C.	1,286	1,757	2,271	1,725	2,132	378	382	1.1
No. of Employees Allocated	N.C.	599	584	414	313	209	196	225	14.8
Total Compensation of Employees (000s)	N.C.	$ 2,514	$ 2,851	$ 3,089	$ 3,335	$ 3,906	$ 4,068	$ 4,458	9.6
Average Annual Compensation/Employee	N.C.	$3,529	$ 4,331	$ 7,463	$ 10,655	$ 18,689	$ 20,755	$ 19,813	(4.5)
Highway Railroad Grade Crossings	N.C.	640	973	864	589	644	300	400	33.3
No. Killed — Grade Crossing Accidents	N.C.	N/A	7	-0-	-0-	-0-	2	2	-0-
No. Injured — Grade Crossing Accidents	N.C.	N/A	11	8	6	1	5	9	80.0

[1]The following Class III Railroad Companies did not file any data with the North Carolina Utilities Commission: Red Springs & Northern Railroad Co. and Fairmont & Western Railroad Co. (Docket No. R-26, Sub 29) 1982

FIGURE NO. 11-8

RAILROADS — GRAND TOTALS — CLASSES I, II AND III[4]
SUMMARY OF SELECTED DATA — INCOME, EXPENSES, BALANCE SHEET, AND STATISTICAL ITEMS
For the Calendar Years 1960, 1965, 1970, 1975, 1980, 1982, and 1983

	Allocation of Data	1960	1965	1970	1975	1980	1982	1983	% Change More (Less) 1983-1982
No. of Companies Covered by Data:		29	29	23	23	21	22	20	
Income & Expense Items									
Operating Revenues	N.C.	$ 127,505	$ 149,320	$ 204,398	$ 250,158	$ 444,860	$ 449,161	$ 414,780	(7.7)
	Total	$ 1,093,864	$ 1,603,464	$ 2,088,440	$ 2,855,913	$ 5,057,923	$ 6,779,432	$ 5,078,109	(25.0)
Operating Expenses[1]	N.C.	100,289	113,226	157,364	205,552	430,294	461,896	360,280	(22.0)
	Total	873,024	1,148,655	1,546,483	2,138,465	4,350,610	6,067,328	4,407,926	(27.3)
Net Operating Income Before Taxes	N.C.	$ 27,216	$ 36,094	$ 47,034	$ 44,606	$ 14,566	$ (12,735)	$ 54,500	
	Total	$ 220,840	$ 454,809	$ 541,957	$ 717,448	$ 707,313	$ 712,104	$ 670,183	(5.9)
Operating Ratio (Percent)[2]	N.C.	78.7%	75.8%	77.0%	82.2%	96.7%	102.8%	86.9%	(15.5)
	Total	79.8%	71.6%	74.1%	74.9%	86.0%	89.6%	86.8%	(3.1)
Fixed Charges	Total	$48,718	$ 82,923	$ 124,858	$ 156,395	$ 192,715	$ 202,416	$ 177,003	(12.5)
Other Income (Deductions)	Total	$ 79,734	$ 102,194	$ 59,330	$ 98,410	$ 457,601	$ 167,657	$ (101,675)	—
Net Income (Including Taxes) in thousands	Total	$ 128,452	$ 185,117	$ 184,188	$ 254,805	$ 650,316	$ 677,345	$ 391,505	(42.2)
State Income Taxes	N.C.	N/A	447	499	700	2,777	(106)	372	—
Real Estate & Personal Property Taxes	N.C.	N/A	3,551	3,158	3,554	4,491	5,062	5,425	7.2
Other N.C. Taxes[3]	N.C.	N/A	1,089	3,494	4,391	5,356	5,490	4,903	(10.7)
Total Tax Accruals	N.C.	$ N/A	$ 5,087	$ 7,151	$ 8,644	$ 12,624	$ 10,446	$ 10,700	2.4
Balance Sheet Items									
Net Book Value—Transportation Property	Total	$ 2,885,385	$ 3,834,060	$ 4,619,310	$ 5,132,857	$ 6,221,216	$ 6,789,892	$ 8,173,999	20.4
Statistics:									
Average Miles of Road Operated	N.C.	4,419	4,464	4,340	4,169	4,071	4,021	3,852	(4.2)
	Total	26,471	31,371	30,818	30,917	30,289	30,386	30,086	(1.0)
Freight Revenue (000s)	N.C.	$ 111,028	$ 138,395	$ 192,469	$ 242,474	$ 423,795	$ 450,275	$ 397,477	(11.8)
	Total	$ 968,343	$ 1,460,820	$ 1,988,588	$ 2,768,813	$ 4,908,851	$ 6,600,449	$ 4,939,220	(25.2)
Tons of Revenue Freight Hauled (000s)	N.C.	70,984	96,733	118,684	106,682	125,428	111,350	98,928	(11.2)
	Total	357,490	517,771	572,617	644,870	595,180	541,874	474,121	(12.5)
Freight Revenue Per Ton	N.C.	$ 1.56	$ 1.43	$ 1.72	$ 2.27	$ 3.38	$ 4.04	$ 4.02	(.5)
	Total	$ 2.71	$ 2.82	$ 3.65	$ 4.29	$ 8.25	$ 12.18	$ 10.42	(14.4)
Gallons Diesel Fuel Purchased or Used (000s)	N.C.	42,900	51,706	61,789	61,473	68,849	63,607	51,089	(19.7)
No. of Employees Allocated	N.C.	10,577	8,386	7,340	6,869	7,031	5,631	6,253	11.0
Total Compensation of Employees (000s)	N.C.	$ 58,772	$ 56,455	$ 69,467	$ 96,225	$ 142,622	$ 157,953	$ 158,460	.3
Average Annual Compensation/Employee	N.C.	$ 5,557	$ 6,732	$ 9,464	$ 14,009	$ 20,285	$ 28,050	$ 25,341	(9.7)
Highway Railroad Grade Crossings	N.C.	4,419	4,421	4,362	4,064	6,765	5,540	7,876[5]	42.2
No. Killed — Grade Crossing Accidents	N.C.	N/A	64	39	25	34	9	19	111.1
No. Injured — Grade Crossing Accidents	N.C.	N/A	144	183	135	96	63	99	57.1

[1]Before Tax Accruals and Net Rent
[2]Effective 1/1/78, Class I & II railroads began recording their operation in conformance with the revised Uniform System of accounts, resulting in expense reclassifications which affected the net revenue and the operating ratio. This change is reflected in the periods after 1975. The prior years were not restated to reflect the changes.
[3]Includes Franchise Tax.
[4]Class III Railroads were exempted from filing an annual report with the North Carolina Utilities Commission (Docket No. R-26, Sub 29, March 5, 1982); therefore, some figures may not reflect all the Class III railroads.
[5]The number of highway rail crossings includes an estimate of crossings owned by Southern Railway Company.

XII. Investigation And Enforcement

INVESTIGATION AND ENFORCEMENT

G.S. 62-277 of the Public Utilities Act of 1963 which became effective January 1, 1964, vested the Transportation Inspectors and Special Investigators employed by the Commission with the same enforcement and police powers as members of the State Highway Patrol in enforcing provisions of the law applicable to motor transportation for which the Utilities Commission has responsibility. The Commission has eleven of these inspectors domiciled throughout the State.

During 1983 these inspectors made investigations or inspections and traveled as shown on Figure 12-1. During 1983 the inspectors, working at check points throughout the State, inspected 532 buses in detail and made limited inspections and observations of 28,525 trucks. A vehicle discovered to have defects which would render it hazardous to operate is grounded on the spot and required to be repaired before being allowed to proceed. This inspection program has contributed much to the safety of the general travelling public and to the motor carrier operations conducted over the highways of this state.

During the course of a year the transportation inspectors and special investigators:

(a) Inspect and grade all bus passenger stations in the State every ninety days;
(b) Inspect freight terminals to ensure that the movement of freight is kept current and that facilities have adequate sanitation, safety, security, and space for handling freight;
(c) Inspect motor carrier's home offices to ensure correct and adequate maintenance of economic, driver, and safety records;
(d) Make numerous random inspections of shipping documents, motor carrier operations, and cargoes of vehicles engaged in either intrastate or interstate movement of commodities and passengers for conformity with either the North Carolina Public Utilities Act or by the Interstate Commerce Act by cooperative agreement authorized under Public Law 89-170;
(e) Make numerous random inspections of vehicles, drivers, containers, packaging, shipping documents, labels, markings, and cargoes of vehicles engaged in either intrastate or interstate "for-hire" movements of commodities and passengers for conformity with the Federal Motor Carrier Safety Regulations, Parts 390-398, and the Federal Hazardous Materials Regulations, Parts 170-190, of the U.S. Department of Transportation as adopted under the Commission's rule-making process and by cooperative agreement authorized under Public Law 89-170;
(f) Furnish information and file written reports on irregularities of vehicles, drivers, motor carrier operations, and cargoes of vehicles engaged in interstate movements of commodities and passengers to the Interstate Commerce Commission and the U.S. Department of Transportation through cooperative agreements authorized under Public Law 89-170;
(g) Investigate and file written reports on complaints and irregularities of vehicles, drivers, motor carrier operations, and cargoes of vehicles engaged in intrastate movements of commodities and passengers for the Commission;
(h) Assess penalties and registration fees to interstate motor carriers not in compliance with registration and insurance requirements of the Commission, pursuant to G.S. 62-266;
(i) Make an investigation of and file a written report on select motor carrier accidents resulting in the loss of life, serious bodily injury, or property damage in excess of $5,000 and give conclusions as to the underlying causes of the accident; and
(j) File written reports on all assigned initiated actions for compliance with Commission statutes and rules regarding complaints, inspections, surveys, investigations, surveillances, service of process, and litigations.

All infractions of safety rules on equipment discovered during the process of an inspection are reported to the Commission. During 1983 there were 121 buses which were found to have defects. Of the above defective buses, there were 41 which failed to pass the equipment and safety factor inspections by the Commission personnel and were grounded on the spot.

All infractions of the economic rules on motor carrier operations discovered during the process of highway inspections and investigations are reported to the Commission. During 1983 there were 1,937 violations, of which 1,700 were interstate motor carrier operations lacking compliance with registration and insurance requirements, resulting in $37,892 in fees and penalties being collected.

Bus stations were inspected for sanitary and passenger comfort. Each station inspected is graded, and a report is made to the Commission. During 1983 a total of 121 of the 532 bus stations graded were found to need improvement.

Thousands of vehicles of the regulated motor freight carriers and exempt "for-hire" motor freight carriers were checked for equipment safety factors. During 1983 there were 12,483 defects detected and corrected.

By legislative action in the 1983 General Assembly all motor carrier functions except market entry-exit and rates were transferred to the North Carolina Division of Motor Vehicles. This was effective on July 15, 1983. Therefore, the North Carolina Utilities Commission no longer has any responsibilities in the field of motor carrier investigations and enforcements.

FIGURE NO. 12-1

SUMMARY OF INVESTIGATIONS AND INSPECTIONS
FOR THE CALENDAR YEARS 1982 AND 1983

	Number of Items Investigated or Inspected		Vehicles Without Defects		Vehicles With Defects Not Grounded		Vehicles With Defects Grounded		Number of Violations on Vehicles With Defects	
	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983
Number of Full Time Inspectors	11	11	11	11	11	11	11	11	11	11
Bus Stations—For Safety Adequacy & Sanitation:	205	219	50	81	—	—	—	—	—	—
Equipment & Safety Factors:										
Bus	519	532	427	411	92	121	27	41	304	469
Truck	4,174	3,660	724	708	3,450	2,952	808	778	13,838	12,014
Compliance with Rules:										
Freight Terminals	75	88	—	—	—	—	—	—	—	—
Home Office Records	47	42	—	—	—	—	—	—	—	—
Driver Safety Records	98	55	—	—	—	—	—	—	—	—
Economic Factors:										
Vehicles & Commodities	11,244	10,219	—	—	—	—	—	—	—	—
Violations Reported	3,075	1,937	—	—	—	—	—	—	—	—
Status Reports Issued	39	20	—	—	—	—	—	—	—	—

Action Initiated by the Commission: Due to Complaints by the Consuming Public and Competitions	1982	1983
Bus Companies	14	22
Truck Companies	216	185
Railroads	18	42
Bus Schedules	162	2
Show Cause Orders Served	49	59
Other (Water, Telephone, Electric)	4	4

Total Miles Traveled by Inspectors:	1982	1983
By Bus	—0—	—0—
By Car	308,260	317,341
TOTAL	308,260	317,341
Fees Collected by Inspectors: Penalties & Registration	$58,569	$37,892